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LEGISLATIVE ASSEMBLY

Thursday, 20th February, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr President (The Honourable Mr G V. Mavalankar) in the Chair

MEMBERS SWORN

Mr Alfred Augustus Brown M L A (Government of India Nominated Official) and

Khan Bahadur Zaffar Hussain Khan M L A (Government of India Nominated Official)

STARRED QUESTIONS AND ANSWERS

Srijut Dhirendra Kanta Lahiri Choudhury (Bengal Landlords) Sir, in consultation with the other parties it has been decided that the Question Hour be dispensed with and the General Discussion of the Railway Budget may be started immediately

Mr Ahmed E H Jaffer (Bombay Southern Division Muhammadan Rural). I hope it is understood that we are not going to sit beyond five o clock

Srijut Dhirendra Kanta Lahiri Choudhury Yes

Mr President As regards sitting beyond five o clock there has been some misunderstanding I think It is only on the days when Government legislative business is to be carried on that the House is to sit till six o clock and not on all days that is how it was decided the other day

As regards the Question Hour, if the House is agreeable I have no objection to dispense with the Question Hour

Several Honourable Members We have no objection

Mr President. Then there will be no Question Hour.

MILITARY DAIRY FARMS AT JUBBULPORE

405 *Seth Govind Das Will the Secretary of the Defence Department be pleased to state

(a) whether the war time extension of the Military Dairy Farms at Jubbulpore is again to be curtailed, and

(b) if so, whether the original size of the farms will be adhered to or whether part of the present extension will be retained as a permanent measure?

Mr G S Bhalja (a) Yes

(b) The answer depends on the post war strength of the garrison at Jubbulpore which has not yet been decided As matters stand at present these Farms are likely to be at least their pre war size, if not larger

MEDICAL AND HEALTH FACILITIES IN INDIA TO IMPLEMENT THE BHORE COMMITEE RECOMMENDATIONS

406 *Seth Govind Das Will the Secretary of the Health Department be pleased to state

(a) if the attention of Government has been drawn to the speech of Dr H S. Souttar, ex President of the British Medical Association delivered at Delhi in

December, 1946, pointing out that India would need 500,000 Doctors to have adequate medical and health facilities for her population of 400 millions,

(b) whether Government are aware of the appalling state of public health in India as shown in the report of the Bhore Committee, and

(c) the steps Government are taking to implement the recommendations of the Bhore Committee and for better and extensive medical education in this country?

Mr S H Y Oulsnam. (a) Yes

(b) Yes

(c) A statement is laid on the table of the House

Steps being taken to implement the recommendations of the Bhore Committee and for the improvement and extension of medical education

1 *Medical education*—All Provincial Governments have made plans for the extension of facilities for medical education with the assistance of the development grants made by the Central Government The Government of India are assisting, in accordance with the recommendations of the Bhore Committee, in the development and improvement of medical education in the country firstly by arranging for the advanced training abroad of selected students and secondly by establishing a high grade up to date medical training and research centre which will compare favourably with the best medical training institutions in other countries Under the scheme for advanced training abroad 54 students were selected for training in 1946 and 70 are being selected in 1947 These students are being placed for advanced training under well known teachers in the various branches of medical science abroad In regard to the scheme for a medical institute, the Government of India have set up a committee under the chairmanship of Dr Sir Lakshmanaswamy Mudaliar, and including leaders in medical education from all the principal medical centres, to advise Government in the organisation of the institute, its location and the steps to be taken to establish it The Committee has held its first meeting and its report is expected early in April 1947 In the two Universities for which the Central Government is primarily responsible namely the Benares Hindu and Aligarh Universities, the Government of India propose to assist, by grants the establishment of medical colleges The Government of India have opened in Calcutta a temporary medical college to provide a course for medical licentiates to enable them to take their degrees The college will train 1,000 licentiates in five years

2 *Medical research*—The Central Government proposes to provide a crore of rupees during the next five years for the promotion of medical research As a beginning, the annual grant to the Indian Research Fund Association has been increased from 6 lakhs to 11 lakhs for 1947 48 to enable it to extend its activities and, in particular, to continue and initiate research in cholera, plague, malaria, industrial health and nutrition The reorganisation of the Indian Research Fund Association and the establishment of a statutory body as recommended by the Bhore Committee is under consideration in consultation with the Association

3 *Revision of the curriculum in medical colleges*—The recommendations of the Bhore Committee for the revision of the medical curriculum have been approved by the Medical Council of India and the views of the Council have been referred to the Provincial Governments for action

4 *Training of personnel other than medical personnel*—(a) The Government of India have opened in Delhi a college of nursing to provide higher training for nursing teachers and administrators In order to supplement training facilities in India arrangements have been made for the special training of a small number of Indian nurses in hospitals in the United Kingdom The possibility of arranging a similar scheme for training in Australia is being explored

(b) The facilities for training of public health officers at the All India Institute of Hygiene and Public Health have been expanded in order to provide for 60 students a year instead of 30 In addition to the regular courses for the Diploma of Public Health, special courses have also been instituted for the training of laboratory technicians and nutrition workers

(c) Courses for malariologists and engineers at the Malaria Institute of India, suspended during the war, have been resumed

5 *Malaria control*—The accommodation and staff of the Malaria Institute of India is being increased to enable it to expand its activities Schemes of malaria control are being undertaken in all the centrally administered areas The question of undertaking demonstration schemes of malaria control in some provincial areas is under consideration

The targets for quinine production recommended by the Bhore Committee have been accepted and development plans have been prepared by Bengal and Madras, the producing Provinces After extensive trials of the new anti malaria drug, paludrine, it has been decided that this quinine substitute should be used instead of mepacrine and the question of its manufacture in India is under examination

6 *Improvements in hospital design and construction*—A bureau of standards has been set up to advise Provincial Governments on modern design and construction of hospitals and other medical institutions and to make available to them information regarding the latest advances in other countries

7 *Legislation for the control of the dental pharmaceutical and nursing professions*—Legislation for the regulation of the pharmaceutical and nursing professions has been introduced in the Legislature Legislation for the regulation of the dental profession is under preparation

8 *Development in the centrally administered areas*—Plans have been prepared and will be put into execution in 1947 48 for extensive development of the health services in the centrally administered areas, with special emphasis on the provision of medical services in the rural areas, generally on the lines recommended by the Bhore Committee

9 *Provincial development schemes*—A conference of provincial health ministers was held in October, 1946, to consider some of the principal recommendations of the Bhore Committee It was agreed at that conference that provincial plans should be reviewed in the light of the Committee's recommendations and the results of that review are awaited

GOVERNMENT EMPLOYEES ASSOCIATED WITH CONGRESS ACTIVITIES

407 *Seth Govind Das Will the Honourable the Home Member be pleased to state

(a) whether Government are aware that according to the orders of the Government of India issued by the War Department under their No 13152/W-III-AO II/10, dated the 10th August, 1912, certain Central Government employees were debarred from Government service on the ground that they or their relations were in some way or the other associated with the Congress activities,

(b) if so, whether in view of the removal of the ban on the Congress Organization, Government of India have taken or propose to take early action to cancel the orders referred to in part (a) above,

(c) whether Government are also aware that the orders, in question were cancelled in a few cases on reconsideration by Government and that fresh enquiries are now being made into those cases again, and

(d) If so whether Government propose to disclose the nature and object of such fresh inquiries?

The Honourable Sardar Vallabhbhai Patel (a) Yes

(b) Instructions have been issued requiring Departments to review cases of persons who have been disqualified during the last five years on adverse police reports or on political grounds with a view to deciding whether such persons should continue to be debarred from Government employment

(c) The orders referred to have been cancelled in some cases as the result of a review No fresh inquiries are being made in such cases

(d) Does not arise

FACILITIES FOR PRIVATE STUDENTS FOR GOING ABROAD

408 *Seth Govind Das Will the Honourable Member for Education be pleased to state

(a) the number of students who have so far been selected by Government to proceed overseas at their own (students') expenses for advanced technical studies,

(b) whether it is a fact that such private students were given little or no facilities for their studies abroad and it is for this reason that only a few students have gone out,

(c) if so, the reasons for this, and

(d) whether Government propose to increase the number of private students for going abroad by providing more and more facilities to them?

The Honourable Maulana Abul Kalam Azad (a) The Government do not exercise any selective scrutiny over the applications submitted by students who wish to go abroad for studies at their own expense All the applications received are forwarded to the Government of India s appropriate representatives abroad with instructions to make every possible effort to secure suitable places for these students During the last two years 570 such students have secured admission in the United Kingdom and 115 in the United States of America through the High Commissioner in London and His Majesty s Charge d Affairs (lately Agent-General) in Washington respectively It has not been possible to secure the information as to how many of these students are engaged in technical studies

(b) No Sir Every endeavour is made to help Indian students proceeding to foreign countries for further studies, but it is not possible to secure places in foreign Universities for all students who wish to go abroad because some of them do not possess adequate qualifications which would make them acceptable to those Universities, and secondly because the Universities abroad are at present extremely overcrowded on account of the large number of ex servicemen seeking admission

(c) Does not arise

(d) It is not the policy of Government to encourage all students whatever their qualifications and other circumstances to go abroad for further studies In so far, however, as suitably qualified students wish to go abroad for studies or training for which adequate facilities are not available in this country the Government of India will give them all possible assistance in regard to their admission to Universities etc and also their general welfare while they are abroad For this purpose the educational establishments in the India House, London and the Indian Embassy in Washington have been strengthened and it is proposed to strengthen them further according to needs It is however, equally necessary that students must be provided with proper information and advice before they go abroad Provincial Governments and Universities have been repeatedly urged to establish or strengthen Students Advisory Bureaux which can give the necessary information and advice to students going abroad The Government of India have offered to provide these Bureaux with the necessary information material and for this purpose they have established in the Department of Education in Overseas Information Bureau whose main function it is to collect and collate all information regarding facilities for studies abroad and to circulate it to the Provincial and University Bureaux in the form of handbooks, pamphlets and bulletins

ARREST OF MEMBERS OF THE COMMUNIST PARTY IN INDIA

409 *Mr Ahmed E H Jaffer (a) Will the Honourable the Home Member please state what is the estimated strength of the Communist Party in India?

(b) How many members of the Communist Party have been arrested and convicted during the past year for taking part in activities endangering the safety of the State and for advocating violence and bloodshed?

(c) Do Government propose to make a statement in the House on this subject?

(d) How many papers are published throughout India by the Communist Party and where are they printed and published?

The Honourable Sardar Vallabhbhai Patel (a) A membership of 53 700 has been claimed on behalf of the Party

(b) During 1946 about 1 950 Communists were arrested in the Provinces Full information about the number of persons convicted during the year is not available

(c) No

(d) A statement showing the number of papers and where they are printed and published is laid on the table

List of Newspapers Published by Communist Party of India

S No	Province	Name of paper	Place of printing	Place of publication	Remarks
1	Madras	Prajasakti (Telugu)	Mogalrajapuram	Bezwada, Kistna District	
2	Madras	Janasakti (Tamil) Weekly	1/6, David on Street	George Town, Madras city	
3	Madras	Thozhilarasu (Tamil)	Railway Union Press	Gold n Rock, Trichinopoly	
4	Madras	Desabhimani (Mala yalam)	Calicut, Malabar		
5	Bombay	People's Age (Eng lish)	New Age Printing Press, 190 B, Khetwadi Main Road Bombay, 4	People's Age Office, 190 B, R K Building, Khetwadi Main Road, Bom bay 4	
6	Bombay	Lokayug (Marathi)	Do	New Age Printing Press, 190 B Khet wadi Main Road, Bombay No 4	
7	Bombay	Janayug (Gujarati)	Do	Do	
8	Bombay	Naya Zamana (Urdu)	United Fine Art Litho Press Mazgaon Bom bay No 10	190 B, Khetwadi Main Road Bom bay, 4	
9	Bombay	Janayug (Hindi)	New Age Printing Press, 190 B Khetwadi Main Road, Bombay No 4	Janayug Office, 190 B R K Building Khetwadi Main Road, Bom bay, 4	
10	Bombay	Toiler's Front (Eng lish)	Nootan Sahitya	156, Parel Bombay	
11	Bengal	Swadhinata (English Daily)	8 E Dacres Lane	Bowbazar, Calcutta	
12	Punjab	Jangi Azadi	114, McLeod Road Lahore	Desh Bhagat Press, Lahore	
13	Orissa	Mukt Judha (Oriya)	Nabajuga Press	Cuttack town	
14	Sind	Sadaqat	Mashal Printing Press Karachi	Communist Party Office Karachi	

SUPPRESS

410 *Mr Ahmed E H Jaffer (a) Will the Honourable the Home Member please state whether Government propose to consider the appointment of a Committee to devise ways and means of combatting corruption and anti-Social evils in Government Departments, especially the suppression of Black-marketing?

(b) Will Government consider the proposal of sending a Committee to the United States of America, France, the United Kingdom and Russia to study the methods adopted in these countries to suppress corruption?

(c) Is it a fact that a sum of Rupees ten crores is estimated to have been lost by Government as a result of corruption on the part of Government servants during the last six years?

(d) Do Government propose to consider the imposition of the death penalty as in France, Russia and other countries for such anti social crimes as Black-marketing and profiteering?

(e) Do Government propose to make a statement in the House explaining what further measures are required to deal with these anti-social evils?

(f) Do Government propose to bring forward special legislation at an early date in this connection?

The Honourable Sardar Vallabhbhai Patel (a), (b) and (d) No

(c) The loss to Government involved in cases investigated by the Special Police Establishment upto the end of December, 1946 is estimated at about Rs 2 6 crores Some of this has been prevented or recovered and of the remainder it is not possible to say accurately how much was the direct result of corruption on the part of government servants

(e) and (f) During the previous and this Sessions this House has already passed two legislative measures on the subject which are, in the view of Government quite adequate No further action is considered necessary at present

BRIGADIER DESMOND YOUNG'S STATEMENT *re* COMPOSITION OF TROOPS SENT TO PROVINCES DURING COMMUNAL DISTURBANCES

411 *Mr Ahmed E H Jaffer (a) Will the Secretary of the Defence Department please lay on the table of the House a statement of figures showing the number of Battalions—Indian, British and Gurkha—sent to Bengal, Bihar, the United Provinces and other Provinces where there were communal disturbances in recent months?

(b) What was the proportion of Hindus and Muslims serving in these Battalions and despatched to these disturbed areas?

(c) Is it a fact that as admitted by Brigadier Desmond Young in a statement to the News Paper "*Dawn*" of December 11 that majority of these troops were Hindus and a very small proportion were Muslims, especially those sent to Bihar Province during the recent disturbances?

Mr G S Bhalja (a) and (b) Two statements giving the required information are placed on the table (Statements I and II)

(c) No Sir Brigadier Desmond Young's letter to the Editor of the "*Dawn*" brought out that the original disposition of troops in, and subsequent reinforcements sent to, Calcutta, East Bengal, and Bihar, included a substantial proportion of Muslim troops A copy of Brigadier Desmond Young's letter is placed on the table of the House (Statement III)

May I add Sir that neither the location nor the movement of troops is governed by communal considerations for the purpose of quelling civil disorder, the most unpleasant and unpopular duty that troops can be called upon to perform, those nearest to hand are employed irrespective of their class composition

STATEMENT I

The number of Battalions—Indians British and Gurkha—employed in Bengal, Bihar, U P and other Provinces between 15th October, 1946 and 6th January 1947 is as follows —

All units have been assessed on a Battalion basis and where a proportion was used a representative fraction is given

	Indian	British	Gurkha
Calcutta	2	7	2
Bengal and Assam (Noakhali)	5	¼	2
Bihar	9	1¼	2
U P	3	3½	
Delhi	1	1	1

STATEMENT II

Table showing units employed in aid of civil power during grave disturbances from 15th October, 1946 to 6th January, 1947

Units	Posted Strength	Class Composition						Remarks
		British	Gurkhas	Muslims	Hindus	Sikhs	Others	
British				CALCUTTA				
1 Wilts	715	100%						
2 East Lancs	706	100%						
2 Y & Lancs	628	100%						
2 Green Howards	683	100%						
25 Dragoons (less one Squadron)	380	100%						
7 Worcs (less one company)	553	100%						
160 British Fd Regt R A	454	100%						
Indian								
3/2 Punjab	973			5/9 P M 22% Pathan 33% P M	2/9 Dogras 23% „	2/9 Sikh 22% „		NOTE —P M. stands for Punjabi Muslims M R stands for Mazbhi Ram dasia Sikh.
4/14 Punjab	944							
Gurkha								
4/2 G R (less two companies)	435		100%					
3/8 G R (less two companies)	436		100%					

Units	Posted Strength	Class Composition						Remarks
		British	Gurkhas	Muslims	Hindus	Sikhs	Others	
BENGAL AND ASSAM (NOAKHALI)								
British								
7 Worcs (one company)	184	100%						
Indian								
1/1 Punjab	885			5/8 P M	2/8 Rajput	1/8 Sikhs		
4 Rajput	863			1/2 P M	1/2 Rajput			
1 Bihar	933			22% Muslim	45% Adibasis 14% Ahirs 16% Rajputs		3% Others	Employed since disturbances ceased
3 Jat	930			30% P M 30% M R	40% Jat			
1 L A A	937			100% P M				
Gurkha								
1/3 G R	880		100%					
3/8 G R (two companies)	436		100%					
4/2 G R (two companies)	435		100%					
BIHAR AND ORRISA								
British								
1 N Staffs	631	100%						
1 Sqn 25 Dragoons	140	100%						

Indian								
3/2 Punjab	973			5/9 P M	2/9 Dogras	2/9 Sikh		
1 Madras	908			1/8 Muslim	5/8 Hindu		2/8 Others	Presumably Christian
2/8 Punjab (two companies)	441			1/2 P M	1/2 Gujars			Not known which companies were used
1/16 Punjab	933			1/2 P M	1/4 Dogras	1/4 Sikhs		
1 Dogra	778				100% ,,			
2 Garhwal Rifles	938				100% Garhwalis			
1 Mahar	777				100% Mahar			A few Mahrattas
3 Bihar	821				100% Adibasis			
214 Garrison Company	190				1/3 Dogras	1/3 Sikhs	1/3	Others are Gujars, Jats, Ahirs (Probably all Hindus)
215 Garrison Company	207			1/5 P M			4/5 Christian	
1 Bihar	933			22% Muslim	45 Adibasis 14% Ahirs 16% Rajput		3% Others	
Gurkhas								
4/3 G R	878		100%					
4/10 G R	711		100%					

Units	Posted Strength	Class Composition						Remarks
		British	Gurkhas	Muslims	Hindus	Sikhs	Others	
British				UNITED PROVINCES				
8 Staffs (two companies)	405	100%						
1 Kings	712	100%						
1 Beds & Herts	740	100%						
2 D W R	681	100%						
Indian								
4/14 Punjab	944			22% Pathans 33% P M	23% Dogras	22% Sikhs		
8/15 Punjab	878			25% P M			75% Christians	
Chamars	300				100% Chamars			Scheduled Castes
Gurkha								
Nil								
British				DELHI DISTRICT				
1 RSF	762	100%						
Indian								
9/14 Punjab	886			30% Pathans 25% P M	25% Jats 20% Dogras			
Gurkha								
4/9 G R	712		100%					

Statement III

COPY OF BRIGADIER DESMOND YOUNG'S LETTER No 7503/DPR, DATED THE 7TH DECEMBER 1946, TO THE EDITOR, THE DAWN, DELHI, PLACED ON THE TABLE OF THE HOUSE IN REPLY TO PART (c) OF STARRED QUESTION No 411, ANSWERED ON THE 20TH FEBRUARY 1947

Army and the riots

In your issue of November, 28, your Military Correspondent purports to give details of the Forces used in the suppression of civil riots and of their class composition

From his statement he (and the sub editor responsible for the headline) draw the deduction that "sinister policies" are in operation Since the statement is inaccurate, owing to ommissions, I must ask you to publish the facts

The troops employed in Calcutta, East Bengal and Bihar were as follows —

(1) *Original disposition in Calcutta before the riots*

One squadron 25 Dragoons

2 East Lancs

2 York and Lancs

2 Green Howards

7 Worcester

1/3 Gurkhas

5/9 Jats (66 per cent Mussalman 34 per cent Hindu)

8/15 Punjab (50 per cent Mussalman 50 per cent Christian)

(2) *Reinforcements sent to Calcutta*

2 Norfolks (temporarily)

25 Dragoons less two squadrons

3/8 Gurkhas

4 Rajput (45 per cent Muslim 55 per cent Hindu)

1/1 Punjab (64 per cent Muslim 36 per cent Hindu)

(3) *Original disposition in East Bengal*

8/12 Frontier Force (48 per cent Muslim 52 per cent Hindu and Christian)

1/3 Gurkhas

(4) *Reinforcements sent to East Bengal*

4 Rajputs (45 per cent Muslim 55 per cent Hindu)

1/1 Punjab (64 per cent Muslim 36 per cent Hindus) (less one Coy)

4/2 Gurkhas (Two Companies)

3/8 Gurkhas (Two Companies)

One Coy 7 Worcester

(5) *Original disposition in Bihar*

One squadron 25 Dragoons

N Staffords

4/3 Gurkhas

4/10 Gurkhas

2/8 Punjab (60 per cent Muslim 40 per cent Hindu)

(6) *Reinforcements sent to Bihar*

HQ 5 Ind Div (mixed)

HQ 9 Ind Inf Brigade (Mixed)

1 Madras (14 per cent Muslim 58 per cent Hindu and 28 per cent Christian)

HQ 123 Ind Inf Bde (mixed)

1 Dogras (100 per cent Hindu)

1 Bihar (25 per cent Muslim 75 per cent Hindu and Christian)

1 Mahar (95 per cent Hindu)

3/2 Punjab (47 per cent Muslim 53 per cent Hindu)

3 Bihar (100 per cent Hindu)

Artillery units to be used as infantry (100 per cent Muslim)

As regards Bombay, your correspondent distorts the press note issued on October 11 from GHQ It was never said that troops could not be used because they were 30 miles away What was said was that other troops were used instead because they were already on the spot

As regards Madras, there is no record at GHQ of Gurkha troops having been moved 1,000 miles from Northern India to Malabar for possible use against the Moplahs

As for the Division to be stationed in Northern India, though its composition will vary from time to time with the change of units composing it, it is quite likely that the majority of the troops will normally be other than Muslim since Muslims form only 34 per cent of the Indian Army

May I repeat that 'neither the location nor the movement of troops is governed by communal considerations which have no place in the Army For the purpose of quelling civil disorder notoriously the most unpleasant and unpopular duty that troops can be called upon to perform those nearest to hand are employed irrespective of their class composition'

If your Military Correspondent seriously supposes that the Defence Member or the Commander in Chief personally give orders for the movement of particular units in the event of civil riots or that any senior officer concerned with such movements considers for a moment the question of their class composition I would suggest that his title is a misnomer

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REDUCTION OF STERLING BALANCES FOR IMPORT OF TOILET ARTICLES

412 *Sri R Venkatasubba Reddiar Will the Honourable the Finance Member be pleased to state

(a) whether it is a fact that sterling balance has been reduced in the year 1946 47

(b) if so by how much and by what means and

(c) whether any portion of it was utilised for import of toilet articles and if so what is the amount?

The Honourable Mr Liaquat Ali Khan (a) Yes

(b) By about Rs 120 crores owing mainly to a deficit in the balance of payments

(c) During April to August 1946, Rs 77 lakhs were spent on the import of toilet goods Later figures are not yet available

DOLLAR POOL

413 *Sri R Venkatasubba Reddiar Will the Honourable the Finance Member be pleased to state

(a) whether the amount of 20 million dollars placed at the disposal of the Government of India from the dollar pool has been utilised this year, and

(b) if so, how this amount was used?

The Honourable Mr Liaquat Ali Khan (a) and (b) The Honourable Member is no doubt referring to the Post War Dollar Fund which has been credited by His Majesty's Government with 40 Million Dollars Liabilities have already

been entered into in excess of this amount but the actual sum expended up to the 30th August 1946 was 3,156,000 Dollars This was spent mostly on the purchase of capital goods and in payment of technical services connected with the establishment of new industries in India

REDUCTION IN TAXATION

414 *Shri D P Karmarkar Will the Honourable the Finance Member be pleased to state

(a) whether Government propose to consider the feasibility of introducing economy measure in respect of Central Government expenditure and of giving relief in taxation imposed owing to the exigencies of war, and

(b) whether Government propose to appoint an economy committee to enquire into matters referred to in part (a) above?

The Honourable Mr Liaquat Ali Khan (a) and (b) These and other matters relating to the finances of the country are already under the active consideration of Government

BANNING RE EMPLOYMENT OF I N A MEN IN GOVERNMENT DEPARTMENTS

415 *Khan Abdul Ghani Khan (a) Will the Honourable the Home Member be pleased to state whether the employment of the Indian National Army men has been banned in any Department of Government on the ground that they are Indian National Army Men, if so will the Honourable Member please specify the Departments concerned?

(b) In Departments where their employment has not been banned have Government informed the Federal Public Service Commission that it could select Indian National Army men on their merits for appointments for which they have to make selection?

The Honourable Sardar Vallabhbhai Patel (a) I am concerned with Civil Departments only There is no ban on the employment of ex Indian National Army men as such unless they were guilty of acts of brutality In regard to military employment, enquiries should be addressed to the Defence Secretary

(b) The Federal Public Service Commission are aware of Government's policy in the matter

INCOME FROM CONSUMPTION OF LIQUOR IN AJMER MERWARA

416 *Pandit Mukut Bihari Lal Bhargava Will the Honourable the Finance Member be pleased to state

(a) the quantity of liquor consumed in the urban and the rural areas of Ajmer Merwara for each of the years, from 1935 to 1946 and the income derived from this by Government

(b) the similar figures for other intoxicating drugs, as opium, charas, ganja, bhang, and

(c) whether Government are contemplating enforcement of prohibition in Ajmer-Merwara, if so, has any scheme been chalked out for this purpose, if so, what is that scheme?

The Honourable Mr Liaquat Ali Khan (a) and (b) I place on the table of the House a statement giving the requisite information as far as available

(c) The matter has not been considered so far It has, however, been recently decided that opium smoking should be prohibited throughout British India, exception being made only in favour of existing addicts so long as they survive and subject to their producing medical certificates to be prescribed for the purpose

Statement showing the quantity of intoxicating liquor and drugs consumed, and the amount of revenue derived therefrom in Ajmer Merwara Province from 1934 35 to 1945 46

Year	Quantity of liquor drug consumed		Revenue derived	Remarks
	Imperial gallons			
	I Country liquor			
	Urban	Rural	Rs	
1934 35	63,018	24,704	5,63 790	Revenue figures for urban and rural areas are not available separately
1935 36	61,602	26 335	5,67 343	
1936 37	56 198	25,720	5,33 679	
1937 38	57,068	27,522	5,45,419	
1938 39	56,772	23,520	5,44,276	
1939 40	50,485	19,792	4,84,232	
1940-41	53,322	26,626	5,07,850	
1941 42	58,150	32,865	5,84,724	
1942 43	68 555	40,560	7,06,721	
1943 44	84,525	53,915	9,44 554	
1944 45	88,429	67,656	10,81,034	
1945 46	99,146	75,340	13,17,232	
	II Opium			
	Seers			
1934 35	3,321		62,781	Consumption and revenue fikure for urban an l rural areas are not avail able separately
1935 36	3,458		62,172	
1936 37	2,790		76,793	
1937 38	2,716		71,319	
1938 39	2, 01		68 299	
1939 40	2,386		59,870	
1940 41	2,4 1		63,708	
1941 42	2,535		65,468	
1942 43	? 837		72,691	
1943 44	3 140		75,488	
1944 45	4,235		94,794	
1945 46	4,901		1,88,394	

Year	Quantity of liquor drug consumed			Revenue derived	Remarks
	III Charas, Ganja, Bhang				
	Seers Charas	Seers Ganja	Seers Bhang	Rs	
1934 35	832	50	3,214	64,891	Figures of consumption and revenue for urban and rural areas are not available separately
1935 36	863	39	3,259	67,138	
1936 37	823	34	3,434	66,559	
1937 38	859	46	3,373	64,960	Revenue figures for Charas, Ganja and Bhang are not available separately
1938 39	814	47	3,147	57,130	
1939 40	581	71	3,057	66,688	
1940 41	522	71	2,805	44,436	
1941 42	530	111	3,514	48,688	
1942 43	520	155	3,549	50,819	
1943 44	6	540	5,940	14,514	
1944-45	Nil	2,126	3,708	29,511	
1945-46	Nil	1,232	2,837	39,213	

DEPUTY SUPERINTENDENTS OF POLICE IN AJMER-MERWARA

417 *Pandit Mukut Bihari Lal Bhargava Will the Honourable the Home Member be pleased to state

(a) the number of Deputy Superintendents of Police who were in Ajmer-Merwara in the year 1939,

(b) similar figures for the year 1946, and

(c) the reasons for any increase in the number that might have taken place?

The Honourable Sardar Vallabhbhai Patel (a) Two

(b) Three (excluding one post of Deputy Superintendent of Police) sanctioned recently as a temporary measure for anti Corruption work

(c) Increase of work

NEED FOR A UNIVERSITY AND POST-GRADUATE CLASSES IN AJMER-MERWARA

418 *Pandit Mukut Bihari Lal Bhargava (a) Will the Honourable Member for Education be pleased to state whether Government are aware of the fact that there is an urgent need of a University in Ajmer Merwara?

(b) Do Government propose to have a University in Ajmer-Merwara in the near future? If so, when?

(c) In what subjects Post Graduate classes have been opened by Government in the Government College, Ajmer? Do Government propose to open in other subjects also? If so, when and if not, why not?

(d) Do Government propose to provide facilities for the study of technical subjects like, Law, Medicine, Engineering, etc , in Ajmer and if not, why not?

The Honourable Maulana Abul Kalam Azad (a) No Ajmer-Merwara, having only one Degree College and one B T Training College cannot justify the establishment of a separate University of its own

(b) Does not arise

(c) Government College, Ajmer, has at present Post graduate classes in Economics, Zoology, and Botany The question of opening post-graduate classes in other subjects is under consideration

(d) The question of opening Law Classes is also under consideration As regards other technical subjects, scholarships are awarded by the Local Administration to Ajmer Merwara candidates for technical studies in colleges situated outside Ajmer Merwara

CRIMINAL TRIBES IN AJMER-MERWARA

419 *Pandit Mukut Bihari Lal Bhargava (a) Will the Honourable the Home Member be pleased to state the various kinds of the criminal tribes existing in Ajmer Merwara and what is their number and at what places are they located?

(b) Have any efforts been made in the past by Government to civilise and educate these tribes? If so, what has been the result of such efforts? If not, do Government propose to do so in the future and what are their proposals in this concern?

(c) Are Government aware that a large number of 'Sansies' have been allowed to settle almost permanently very near the Kasba of Bhinai in Ajmer Merwara?

(d) Are Government aware that the inhabitants of the Kasba of Bhinai have often been complaining about theft and harassment by the 'Sansies"? If so, what steps if any have been taken by Government to shift the 'Sansies from the spot and to protect the inhabitants of the Kasba from depredations thefts and harassments by the Sansies?

The Honourable Sardar Vallabhbhai Patel The necessary information has been called for from the Chief Commissioner and will be laid on the table of the House when ready

USE OF ARMY FOR MAINTAINING LAW AND ORDER

420 *Dr Zia Uddin Ahmad Will the Secretary of the Defence Department be pleased to state

(a) whether local Commander and the Army are under the Provincial Government or under the Central Government and

(b) whether the local Governments without reference to the Government of India use the Army for the maintenance of Law and Order?

Mr G S Bhalja (a) The Indian Army is under the control of the Central Government

(b) Yes, Sir As it is clearly desirable that Provincial Governments should be able to rely on military assistance in an emergency, the Government of India's standing orders are that local military authorities should comply with all requests for military assistance for the prevention or suppression of disorder which may be made by a civil authority The understanding is that Provincial Governments are not to exercise the power to requisition military assistance for this purpose without reference to the Central Government unless, in the opinion of the authority making the requisition, the situation urgently demands such assistance and there is not sufficient time to obtain the orders of the Central Government In no case, however, are troops to be employed at the request of Provincial Governments or their officers for a period exceeding 10 days without obtaining the orders of the Central Government

BUILDINGS NEAR BAMROLI AERODROME AND THE DISPOSAL OF MILITARY HOSPITAL BUILDING AT MORADABAD

421 ***Mr Hafiz M Ghazanfarulla** (a) Will the Secretary of the Defence Department please state whether Government are aware that nearly all the buildings on the North of Grand Trunk Road at the Bamroli Aerodrome are vacant for a long time?

(b) When will the land be vacated and buildings removed in this area?

(c) Are Government making any arrangement for handing over the villagers houses situated inside Bamroli Aerodrome, and if so, when?

(d) Are the villagers getting any rent, if not since when?

(e) What are the proposals of Government regarding the disposal of military Hospital Buildings at Moradabad?

(f) Are the said buildings going to be sold or kept for any use?

Mr G S Bhalja (a) These buildings have been lying vacant since the 1st May 1946 This was due to the uncertainty regarding civil post war requirements

(b) Government of India's orders for the disposal of all surplus land and buildings at this airfield were issued in December 1946

(c) Yes Sir This is being done

(d) Yes Sir Payment of rent will cease from the date of de requisition

(e) and (f) There are two hospitals at Moradabad neither of which is to be returned by the Armed Forces—

(i) 131 Indian General Hospital The land is owned by the U P Government As regards the buildings, some are the property of the Salvation Army, to whom they will be returned, others have been offered to the U P Government along with the land

(ii) Indian Military Hospital Disposal instructions have been issued Information as to the exact manner in which the buildings etc will be disposed of is not yet available This is being collected and will be laid on the table of the House in due course

REMARKS BY THE GOVERNMENT OF INDIA ON THE PERSONNEL OF INDIAN NATIONAL ARMY

422 ***Shri Sri Prakasa** Will the Secretary of the Defence Department be pleased to state

(a) the nature of the remarks, if any that have been made by Government of India on the personnel of the Indian National Army and the reasons for making them

(b) whether these remarks interfere with members of the Indian National Army personnel being able to get employment in civil life and

(c) whether Government propose to consider the desirability of withdrawing these remarks?

Mr G S Bhalja I assume that the Honourable Member refers to the remarks endorsed on the discharge certificates of dismissed or discharged personnel of the Indian National Army On this assumption, I reply as follows

(a) Discharge Certificates show that a person has been dismissed or discharged as the case may be Reasons for dismissal or discharge in the case of these personnel, are shown as "Services No Longer Required" The assessment of character of such personnel is shown as "Bad in the case of personnel who were Dismissed from the service and "Indifferent" in the case of those who were 'Discharged

(b) Government have no information to show what effect the remarks in the Discharge Certificate have had on the employment of such personnel in civil life It should be noted however, that personnel who have been "Discharged" from the service are eligible to use Government Employment Exchange machinery and for such other assistance for re settlement in civilian life, as is being provided by the Central Government

(c) Government will examine the question

RELEASE OF I N A PERSONNEL

423 *Shri Sri Prakasa Will the Secretary of the Defence Department be pleased to state

(a) the number of Indian National Army personnel that are undergoing sentences of imprisonment, and the period of imprisonment that has still to run in each case and

(b) whether Government have examined these cases and if they propose to release these men?

Mr G S Bhalja (a) I lay a statement on the table of the House

(b) The matter is under the consideration of Government

Statement

Serial No	Number, Name and Unit	Sentence	Date from which sentence has effect
1	IC 79 Capt Burhanuddin, 2 Baluch Regt	Transportation for life and to be cashiered Commuted by the C in C to 7 years' R I and to be cashiered.	14th February 1946
2	IEC 138 Capt Abdul Rashid, 1/14 Punjab Regt	Ditto	9th January 1946
3	9101 Subedar Shingara Singh 5/14 Punjab Regt	Death. Commuted by the C in C to 14 years' R I and dismissal	February 1946
4	15691 Jem Fateh Khan 5/14 Punjab Regt	Ditto	Ditto
5	10401 Jem Puran Singh Khawas 2/1 Gurkha Rifles	Transportation for life Commuted by the C in C to 7 years' R I and dismissal	Ditto
6	11190 Hav /Clerk Jaswant Singh, 5/2 Punjab Regt	3 years' R I and dismissal	15th March 1946
7	GSE 17569 Sweeper Nihala IGSC	1 year's R I and dismissal	Ditto
8	17053 Sepoy Resham Singh 2/12 F F Regt	2 years' R I and dismissal	25th April 1946
9	9940 Hav Mola Singh 15 Punjab Regt	8 years, R I and dismissal On revision—Death Commuted by the C in C to transportation for life and subsequently to R I for 6 years and dismissal	12th June 1944
10	15217 Sep (T/Nk) Kartar Singh 1/11 Sikh Regt	Transportation for life and dismissal Commuted by the C in C to R I for 6 years and dismissal	15th July 1944
11	16183 Sep Sajjan Singh 1/11 Sikh Regt	Ditto	19th July 1944
12	15718 Sep Gurdial Singh 1/11 Sikh Regt	Ditto	Ditto
13	15657 Sep Ishar Singh, 1/11 Sikh Regt	R I for 6 years and dismissal	7th September 1944

ARREARS OF PAY OF DISCHARGED I N A MEN

424 *Shri Sri Prakasa Will the Secretary of the Defence Department be pleased to state

(a) the amount of money that is due as arrears of pay to the Indian National Army men now discharged, and

(b) whether Government intend to pay these arrears, and if not, why not?

Mr G S Bhalja (a) Presumably the Honourable Member refers to the emoluments of ex I N A men who were discharged from the Indian Army If so, the information is not available, but an attempt will be made to collect it; when compiled, it will be laid on the table of the House

(b) I would invite the attention of the Honourable Member to my answer to part (b) of starred question No 191 asked by Mr Sasanka Sekhar Sanyal on the 11th February 1947

FACILITIES TO MUSLIM INDUSTRIALISTS IN ACQUIRING LAND FROM THE DELHI IMPROVEMENT TRUST

425 *Syed Ghulam Bhik Nairang Will the Secretary of the Health Department please state

(a) whether the Delhi Improvement Trust has set apart a certain area near Delhi for the location of factories and industrial concerns,

(b) the total area so far acquired and reserved for this purpose, if any,

(c) the area already sold or leased under this scheme, the names of individuals to whom or firms to which, land has been sold or leased, showing in each case, the area the price and also whether the sale or lease was effected through private negotiations or public tenders,

(d) whether Government are aware that a very small fraction of the area has so far been sold or leased to Muslim industrialists, inspite of the fact that a large number of Muslim industrialists have been approaching the Improvement Trust with a view to obtaining land

(e) whether Government are aware that a Muslim textile manufacturing firm of Delhi named The Punjabi Cloth Mill Delhi, Ltd , has been corresponding with the Trust for some months past without getting a satisfactory reply, and

(f) whether the Government of India propose to issue necessary instructions to the Improvement Trust to give the Punjabi Cloth Mill, Ltd and other Muslim industrialists who may be anxious to obtain land the same facilities as regards area and price as have been given to others in the past?

Mr S H Y Oulsnam (a) Yes

(b) The total area is 583 acres out of which 439 acres have already been acquired and the remainder will be acquired in due course

(c) A statement is laid on the table of the House

(d) and (e) The Government are aware that a very small fraction of the area has so far been sold to Muslims Inquiries into the reason for this and into the complaint mentioned in part (e) of the question are being made and the result will be communicated to the Honourable Member in due course

(f) Such instructions will be given as may appear proper in the light of the inquiries which are being made

Statement showing the names of individuals and firms, etc, to whom land has been allotted in the Industrial Area Scheme of the Delhi Improvement Trust

Serial No	Number of plot	Name of allottee	Area (acres)	Price per acre	Mode of sale	Date of sanction of transaction	Remarks
1	2	3	4	5	6	7	8
				Rs			
1	13	Mr T N Bhaskar, Managing Director, M/s The Capital Industries, Ltd Serai Rohilla, Delhi	1 05	4,400	Offer	26 9 41	
2	14	Ditto	1 03	4,070	,,	,,	
3	15	Mr Gopi Nath, s/o L Manohar Lal, C/o M/s Gopi Nath Ltd, Chawri Bazar, Delhi	0 99	4,070	,,	,,	
4	16	Ditto	0 99	4 015	,		
5	17	Mr Ganga Sahai Bajaj B A Room No 21 Delhi Cloth Mills Quarters Delhi	1 00	3,960		,	
6	18	M/s Radhey Shiam Man Mohan Lal Katra Pyare Lal, Chandni Chowk Delhi	1 00	3 9 5			
7	19	Mr D S Kashyap s/o Mr L D Kashyap, 26, Ajmere Gate Delhi	0 99	3 805	,	,	
8	20	Mr Chan Singh Paspal C/o M/s Uttam Singh Kanwar Singh, Chandni Chowk Delhi	0 98	3,905			
9	21	L Makhan Lal Jain Prop Jayana Glass Works, Chandni Chowk Delhi (Transferred by S M Zulfiqarali)	1 01	3 9 0		,	
10	22	Ditto	1 01	4 015	,,	,,	
11	23	Mr Nand Kishore Jain C/o M/s N K Jain & Co 280 Esplanade Road Delhi	0 94	4 400	,	,,	
12	24	M/s Teja Singh Soni and Surjit Singh Soni C/o Soniou ki Dukan (Reg), Chandni Chowk Delhi	0 99	4 400	,,		
13	25	Mr R N Mehra, Prop, M/s R N Mehra & Co Chandni Chowk Delhi	0 98	4,200	,		
14	26	Sh Imarti Devi C/o L Paras Ram Jain M/s C A Sumar & Co Nai Sarak Delhi	0 95	4,200	,		
15	27	S Kanhaya Singh, Prop, The Sanitary Goods Manufacturers Karol Bagh, Delhi	1 19	3,300			

Serial No	Number of plot	Name of allottee	Area (acres)	Price per acre	Mode of sale	Date of sanction of transaction	Remarks
1	2	3	4	5	6	7	8
				Rs			
16	28	Messrs Fateh Chand Ram Richh pal, Katra Asharfi Chandni Chowk, Delhi	1 32	3,200	Offer	26 9 41	
17	29	Ditto	1 5	3,150	,		
18	30	Mr Hans Raj Gupta, Delhi Iron Syndicate Ajmere Gate Delhi	1 66	3 150			
19	31	Ditto	1 75	3 150			
20	32	M/s The Indo European Machin ery Co Chandni Chowk Delhi	2 16	3 200			
21	34	Mr Hans Raj Gupta Delhi Iron Syndicate Ajmere Gate Delhi	1 71	3 150			
22	35	Ditto	1 60	3 150			
23	36	M/s Fateh Chand Ram Richhpal, Katra Asharfi, Chandni Chowk Delhi	1 47	3 150			
24	37	Ditto	1 31	3,200	,,	,	
25	38	Mr P L Mehta 5 Joffre Square New Delhi	1 22	3 300	,		
26	39	Sh Imarti Devi C/o I Paras Ram Jain M/s C A Sumair & Co , Nai Sarak Delhi	0 97	4 300	,,	,	
27	40	M/s Sultan Ahmad Nisar Ahmad & Mohd Ahmad, Coronation Hotel Fatehpuri Delhi	0 98	4,185	,,		
28	41	M s Roja Singh Soni and Surjit Singh Soni C/o Sonion ki Dukan (Regd) Chandni Chowk Delhi	0 86	4,400	,,		
29	42	Mr L ko Nath, Prop M/s Lalit & Co Paint Merchant, Fatehpuri Chandni Chowk, Delhi	0 28	3 950		,	
30	43	Mr Sardari Lal Datta, Prop The Delhi Colour Paint Fatehpuri Chandni Chowk, Delhi	0 27	4,000	,,	,,	
31	44	Mr E C Khanna 8, Doctor's Lane New Delhi	0 26	4,050	,,	,	
32	45	Hakim Ram Nath, Prop Swadeshi Dawakhana, Sadar Bazar, Delhi	0 27	4,100	,,	,,	
33	46	Mr Sita Ram, Prop The Bharat Paint House, Chandni Chowk, Delhi	0 26	4 150	,,	,,	

Serial No	Number of plot	Name of allottee	Area (acres)	Price per acre	Mode of sale	Date of sanction of transaction	Remarks
1	2	3	4	5	6	7	8
				Rs			
34	47	S Lirlok Singh Gurdwara Road Lachhman Das Building Pahar ganj Delhi	0 25	4 200	Offer	26 9 41	
35	48	Mr Kanj Lal Oswal, C/o M/s Kashi Ram Hans Raj Oswal Sadar Bazar Delhi	1 33	4 300	,,		
36	49	Ditto	0 97	4 350			
37	50	M/s Manak Chand Diwan Chand, Sadar Bazar Delhi	1 16	4 350	,,		
38	51	Mr Banarsi Dass Oswal, Prop M/s Panna Lal Walaiti Ram, Sadar Bazar Delhi	1 20	4 350	,,	,,	
39	52	Mr Ram Rakha Mal Jain Prop, M/s Ram Rakha Mal Madan Lal Jain Sadar Bazar Delhi	1 66	4 300			
40	53	The Manager, Delhi Acid & Chemical Works Near Kishan Ganj Railway Station Delhi	2 24	9 111	Tender	29 3 44	
41	54	Mr Satya Paul, Prop, M/s Ravi Paint & Varnish Works Chandni Chowk, Delhi	2 34	3,400	Offer	26 9 41	
42	55	M/s Bhagwan Dass Babu Ram, Hosiery and Umbrella Merchants, Aggarwal Hosiery Mills Sadar Bazar Delhi	2 65	3,300	,,	,,	
43	56	Mr Mela Ram Chandiok Prop M/s Kailash Bros Chandni Chowk, Delhi	2 85	8,000	Tender	29 3 44	
44	57	M/s Bhana Mal Gulzari Mal, Chawri Bazar, Delhi	3 33	7,671	,,	31 1 45	
45	58	M/s Kh Mohd Sharif Mohd Siddiq, C/o M/s H Mohd Said Mohd Sharif, Chandni Chowk, P B No 7, Delhi	3 88	7,005	,,	29 3 44	
46	59	Mr Dewan Chand, C/o M/s Soi Bros & Co, Jhandewala Road, Karol Bagh, Delhi	2 27	10,000	,,	,,	
47	60	Dr Prem Narain, Egerton Road, Delhi	2 22	8,019	,,	29 9 44	
48	61	The Manager, The Delhi Iron and Steel Co, Grand Trunk Road, Ghaziabad	4 70	3,200	Offer	26 9 41	

Serial No	Number of plot	Name of allottee	Area (acres)	Price per acre	Mode of sale	Date of sanction of transaction	Remarks
1	2	3	4	5	6	7	8
				Rs			
49	62	The Manager The Delhi Iron and Steel Co Grand Trunk Road Ghaziabad	4 59	3 200	Offer	26 9 41	
50	63	Raizada Kidar Nath Modi General Manager Modi Food Products, Co Ltd Begamabad Meerut U P					
51	64	The Manager The Ganesh Flour Mills Ltd Subzimandi Delhi	11 48	7 000	Tender	20 3 44	
52	65	Ditto	10 83	7 000			
53	66	M/s Shambhu Nath Chemical Works, Ltd G T Road Shahdara	8 26	7 000			
54	67	M/s Kayeco Industries, 5 Hardley Road New Delhi	7 43	7 000			
55	68	L Basheshar Nath, 15 Barakhamba Road New Delhi	9 90	2 800	Offer	26 9 41	
56	69	R B G M Modi Managing Director Modi Sugar Mills Ltd Begamabad Meerut U P	12 41	7 000	Tender	28 8 44	
57	70	The Vital Chemical, Ltd Opp Odeon Cinema Connaught Place, New Delhi	10 76	7 000			
58	72	Delhi Cloth and General Mills Co Ltd Delhi	278	(a) (b) & (c)	Negotiation	9 1 42	

(a) Cost of acquisition + 10 per cent
(b) Rs 40,000 towards development of the area
(c) Proportionate contribution for installing water supply and sewerage

Broadcasting Station at Patna

426 *Babu Ram Narayan Singh Will the Honourable Member for Information and Broadcasting please state

(a) the number of Broadcasting stations proposed to be established in the country,

(b) the number of Broadcasting stations under construction and

(c) the stage at which the proposed Broadcasting station at Patna stands today?

The Honourable Sardar Vallabhbhai Patel (a) Our plans to cover the next eight years provide for the establishment of ten new transmitting stations

(b) None

(c) The attention of the Honourable Member is invited to the reply given by me on the 6th February 1947 to Mr Mulandhari Singh's Starred Question No 109

IMPORT OF BROADCASTING MACHINERY

427 *Babu Ram Narayan Singh Will the Honourable Member for Information and Broadcasting please state

(a) whether all Broadcasting machineries are imported from foreign countries,

(b) the names of countries from which these machineries are imported, and

(c) whether Government propose to popularise the use of Receiving Radio Sets and, if so, how?

The Honourable Sardar Vallabhbhai Patel (a) Yes

(b) U K, U S A and Holland

(c) Government's aim is to popularise broadcasting by expansion of the existing broadcasting network and by broadcasting the best possible programmes within the resources available to All-India Radio

DEMOBILIZATION OF ARMY

428 *Babu Ram Narayan Singh Will the Secretary of the Defence Department be pleased to state

(a) the date of completion of demobilisation of the Army raised specially for the purposes of the last war, and

(b) the number of Bihari Soldiers and officers (i) already demobilised (ii) still to be demobilised and (iii) to be retained as part of the standing Indian Army?

Mr G S Bhalja (a) It is not possible to give the date when demobilisation will be completed until decisions are taken regarding the withdrawal of all overseas forces and the size of the post-war Army

(b) (i) The approximate number of Bihari officers and Other Ranks demobilised up to the 1st December 1946 is 45 and 33,150 respectively

(ii) and (iii) The Honourable Member will appreciate that the Indian Army is not organised on a provincial basis and hence there is no fixed number allotted to Biharis as such In the circumstances, it is not possible to forecast the number of Bihari soldiers that will be serving from time to time in the Indian Army The present strength of Biharis is approximately 200 officers and 13,500 other ranks

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THE RAILWAY BUDGET GENERAL DISCUSSION

FIRST STAGE

Mr President Before the General Discussion of the Railway Budget commences I have to announce to the House that under Rule 46 I fix the time limit for speeches as 15 minutes for each Honourable Member excepting the Government Member for whom 45 minutes or more will be allowed if necessary

Seth Govind Das (Central Provinces Hindi Divisions Non Muhammadan) Sir I wish to make a few remarks on the Railway Budget and this I do as constructive suggestions and not in the spirit of destructive criticism Sir, it is a unique occasion that the Railway Budget has been presented before this House by a true representative of this country and I wish to congratulate Dr Matthai for getting this opportunity

Now Sir we have to look at this Budget from the rational point of view and not consider it purely from the sentimental point of view Sentiments in human affairs have a place—an important place—but when there is a popular Government, even those things which people sentimentally do not like can be explained to them and I am sure, Sir, that they do understand them

There has been some criticism with respect to the increase in fares I admit that in the very first year of the Interim Government it would have been better if there would not have been any increase in the fares But we have to put the Railways on a sound financial position, and if the Honourable the Minister for Transport thinks that it is needed that the fares should be increased we should accept his proposal If we see how the fares have been increased in different countries we find that in India the increase has been most moderate In fact, Sir, I want to suggest to the Honourable the Transport Minister that it would be better if he further increases these fares— not of the third class passengers but of the second and the first class passengers The fares of second class passengers should be increased by 12½ per cent and of first class passengers by 25 per cent This will give a little more money to the railways, and besides that it will satisfy the sentiments of the bulk of the people because they will think that if the poor have to pay a little more the rich have to pay much more

Mr Ahmed E H Jaffer (Bombay Southern Division Muhammadan Rural) We will get more travelling allowance

Seth Govind Das It is not only we who travel by higher classes but there are others also—important industrialists, zamindars etc who do not draw any travelling allowance I hope the Honourable the Transport Minister will see whether he can increase the fares of second class and first class passengers

As far as the amenities of the travelling classes are concerned, specially of third class, I wish to point out that nothing should be done in this respect in a haphazard way There should be a definite plan for giving these amenities Sir, the talk about these amenities has been going on for a considerable time and I being in the Central Legislature for the last twentythree years have been hearing about these amenities for all these years, but nothing substantial has been done in this respect so far Now, Sir, with the assumption of power by popular representatives of this country I hope a planned action will be taken in this respect and those amenities which are urgently required will be given to the people immediately

The first thing I would draw attention to is overcrowding No doubt in the last few months overcrowding has been reduced, but the Honourable the Transport Minister will admit that still the condition is far from satisfactory This overcrowding can be reduced by taking back those coaches which we have given to the military This should be done as soon as possible New bogies should also be constructed in as large numbers as feasible and this should also be done at an early date The new bogies I admit would be made on a different design and more amenities will be provided in them But if we only depend upon new bogies and don't improve the old bogies, the travelling public will not be very much benefitted since by building new bogies we are not going to discard the old ones certain amenities should be provided in the old coaches also In this respect, first of all I should draw the attention of the Honourable Minister for Transport to the lighting arrangement It is said that the bulbs are stolen no sooner these are fixed in the compartments Now this can be avoided if locks are provided for which can be done very easily and with very little expense Secondly the lavatories should be of a better type in third class coaches Thirdly in this hot country fans should be provided in third class coaches It will be said that I am proposing a very ambitious scheme but if a detailed estimate is made, it will be seen that providing fans will not be very expensive Then I do not want that every third class coach from this very time should have fans We can make a start If only a start is made in this direction people will know that something is being done and there would be a general satisfaction I suggest that all these improvements should first take place in the women's compartments There are very few women's compartments in our trains and if proper lighting arrangements, good lavatories and fans are provided in women's compartments, at least the travelling of women and children will become comfortable

[Seth Govind Das]

Besides, the improvement of coaches the Honourable Transport Minister might be knowing that in wayside stations there are no proper facilities for getting drinking water I hope something will be done in this respect also

In his speech, the Honourable Transport Member said that the stations which were closed are going to be reopened He might be knowing that in certain areas people have to walk long distances to catch trains and the sooner these stations are reopened the better would be for the rural population I further suggest there should be only two classes in our railways, one upper and the other lower class, at least the first class should be immediately abolished. There are very few people in this poor country who travel by first class (*An Honourable Member* What about saloons?) Saloons should be abolished even before first class I shall give example where there are only two classes In the metre gauge trains which run between Jubbulpore and Gondia, there are only two classes, one upper and one lower Formerly there were three classes, even on this line first, second and third But they have changed that system and it is high time that this reform is introduced elsewhere also Now, Sir I wish to point out certain things regarding my Province The Honourable Transport Minister might be knowing that there is no fast train between two important cities in the Central Provinces, Nagpur and Jubbulpore He may be surprised to learn that Saugor station in the C P is situated on the wrong side of the road and every passenger who wants to go to the station has to cross the line The Railway authorities on certain complaints have verified this fact Now as a university has been established in Saugor and Saugor has become an important place in the Central Provinces something should be done in this respect

Shri Sri Prakasa (Benares and Gorakhpur Divisions Non Muhammadan Rural) Are they not prosecuted for trespass?

Seth Govind Das They cannot help it It is not their fault

Shri Sri Prakasa Even if that is so people get prosecuted all the same

Seth Govind Das I am not in favour of palatial stations as that of Lucknow and Cawnpore but stations in my provinces are in a very wretched condition and I think something will be done in this respect also

Then Sir the trains of Bina Katni loop line are very slow I hear that there is a proposal to run a through mail from Karachi to Calcutta Dr Sir Hari Singh Gour the founder of the Saugor University informed me that there is such a proposal If this is done Saugor and Bina would come on the main line and the people who have to travel long distances in a circuitous route will also be benefitted One grievance more I would like to bring forward with respect to my province Bhandara station is about 9 miles from the Bhandara town Bhandara town has developed as other towns in this country and it is a great inconvenience to the people there to travel nine miles either on tongas or lorries to catch trains

One word more and I have done The money which is to be spent from the betterment fund for building houses should not be spent on building bungalows but on the quarters of labourers and the poorer classes

These are the few remarks I wished to make I again congratulate the Honourable the Transport Minister on the Budget he has presented to us

Mr P J Griffiths (Assam European) One of the main difficulties of any popular Government is the fact that it is constantly exposed to the temptation of playing to the gallery to the danger of refusing to do what is unpalatable, even though that refusal may mean sacrificing the future to the present By contrast a bureaucratic government whatever be its defects in the way of rigidity and lack of imagination has at least this advantage that it can take an unpopular course without fear or favour We should therefore have had some measure of sympathy with the Honourable the Railway Member if in this the

first budget of a popular Government in this country, he had decided to take the easy course. If he had felt bound to sacrifice the future to the present and be more careful about keeping freights and fares down than about the future stability of the railways, we should have sympathised with his position. But he has not done that. He has taken the courageous course. He has set himself to see that this great Indian railway system on which depends so much of the prosperity of this country shall go forward in a condition of financial stability. He has done that even at the cost of taking the very unpopular step of increasing the fares and increasing freights by adjustments. We admire him for that step, and under the background of our examination of this budget will be appreciation of the statesmanlike character and the wisdom which he has shown.

When we examined the railway budget last year we in this Group sought to analyse it under four heads. First, we considered it in relation to the financial strength of the railways, secondly, we dealt with their physical and mechanical strength, thirdly we considered the labour front, and fourthly, we examined the problems of development. That classification still seems to me the logical basis for any examination of the railway budget and I propose to adhere to it today though time will only permit me to deal with two of these four heads.

I begin first with the examination of the financial strength of the railways and here I shall try to focuss my remarks round the proposals for an increase in freight and fares. I make that my focal point not because I regard it as by any means the most important aspect of the budget but because by so doing I can make my remarks concrete rather than vague and abstract. It seems to me that when a Government, particularly when this Government, starts considering the strength of the railways and, in particular, when it considers the question of an increase in fares it has four main factors to bear in mind. First there is the question as to whether we have embarked on a period of contraction or one of expansion. Secondly there is the general question of the strength of the railway reserves. Thirdly there is the state of the rolling stock and the other material assets. And fourthly there is the need for a contribution to the general revenues.

Let me take these four factors very briefly and see how they must have presented themselves to the mind of the Railway Member when he framed this budget. It is of course clear that we are in fact at the beginning of a period of contraction rather than one of expansion. If this were not clear from other reasons the very figures given by the Railway Member himself would make it clear. The actual receipts for the last complete year were 225 crores, the revised receipt figures for this year are 206 crores and the budget figures of receipts for the coming year are 183 crores. It seems to us that in budgeting for receipts of 23 crores less than during the current year the Railway Member has been actuated by sound financial proposals. There are two factors which he has mentioned which are almost certain to result in decreased receipts during the forthcoming year. The decrease of military traffic is a mathematical certainty and the decrease in general traffic as a result of railroad competition is at least a very high probability. Before the war road competition had already begun to make inroads upon the financial strength of the railways. That tendency was held up during the War by shortages of petrol, shortages of vehicles, shortages of drivers and shortages of mechanics. But it is quite certain that that tendency will again be resumed and it is bound to have some effect on the railway revenues. It is true that there has been an upsurge of civilian traffic, but there are good grounds for thinking that that upsurge has reached its peak. So, it seems clear to us that the Railway Member was right to budget for a very considerable decrease in receipts during the forthcoming year. Even if the fact that we are in for a period of contraction were not clear from the railway figures, general considerations would suggest it. All those activities which were stimulated by the war are coming to an end and the other activities, the post war development plans which we hoped would to some extent take the place of war time activities are necessarily slow in materialising. There is going to be a

[Mr P J Griffiths]

considerable time lag before the activities resulting from our general development plans make up for the loss of activity consequent on the cessation of the war It is therefore clear that we are at the beginning of a period of contraction and that at the beginning of such a period it is the moral duty of the Railway Member to do as he has done, namely, to take a somewhat gloomy view

I come next to the second factor, the reserve position As far as the reserve fund proper is concerned, I need go no further back than the Wedgwood Committee report, which expressed the view that the reserve should be maintained at 50 crores At the end of the year under budget it will stand at 16½ crores and at the present rate of contribution it will be 7 years before we reach the moderate figure specified by the Wedgwood Committee Then there is the depreciation fund which at the end of the budgetary year, will stand at 101 crores The whole question as to that fund and as to the life of railway assets, is at present under expert examination It would therefore be premature to make any dogmatic statement about that fund but from the layman's view and bearing in mind not only the extent of the capital at charge but also, the great age of a large proportion of the assets it seems reasonable to expect that as a result of that expert examination we shall find that the depreciation fund is too small rather than too great

Then, there is the third form of reserve fund, the betterment fund That will stand at 1 3 8 crores at the beginning of the budgetary year and 9 crores at the end of it I suppose every member of this House would agree that a fund of that size is far too small to provide all those amenities which we had especially in view when this fund was called into existence So, whichever of these three different types of reserve fund it may be the reserve fund, the depreciation fund or the betterment fund the reasonable conclusion is that they are all too small Taking them together they will come to 126 crores at the end of the Budget year When a plan for post war development of the railways was prepared by Sir H P Mista– I think that was the name of the gentleman –he arrived at the figures of 312 crores as the probable requirement for purposes of the kind we have in mind Instead of 312 crores, we have 126 crores I do not believe anybody in this House will contend that under those circumstances we can be satisfied with the existing reserves and it was right on the part of the Railway Member to regard an adequate contribution to the depreciation fund and a contribution though not an entirely adequate one to the reserve fund as being essential to satisfactory budgeting The third factor which he had to bear in mind I will just mention and pass on That is the present state of the rolling stock and the other material assets I suppose there has never been a time when it has been so clear even to the lay observer that very large sums of money will have to be spent to bring them back to proper condition Then there is the fourth factor, the general contribution to the general revenues That is a controversial question but we in this Group have always regarded that contribution as very important Last year we went so far as to describe it as an integral and irreplaceable part of the whole scheme of the Central revenues which may have to be suspended from time to time It may of course be necessary to suspend it from time to time or indeed it may be that in the next few years so much will have to be spent on improvements that the contribution to the general revenue will have to take place all the same Nevertheless it is right that the railways should be expected to help in the general finance of this country I know there are Honourable Members in this House who take a different view, but I am not going to embark into a controversy like this partly because the subject is shortly to be discussed and partly because it seems to me that a question of this kind is so closely linked with the whole constitution at issue—and therefore, the financial future of this country—that this is not the most opportune time to discuss it Be that as it may, under the present understanding the railway are expected to make a contribution to the general revenues Sir all these four factors were

bound to lead the Railway Member to the conclusion that he had to do something about securing increased sources of revenue As to the form in which the increases have been put, first you have an increase in passenger fares, secondly, you have adjustment of freight rates The increase in passenger fares seems to us to be modest and reasonable and certainly not more than commensurate with the present cash paying capacity of those who use the railways As far as the adjustment of freight rates is concerned, it is not easy to speak very definitely because we have not seen details of what the exact effect will be on the various commodities concerned But the figures which the Railway Member has put before us, do at any rate suggest that it will not in fact be an undue burden on the economy of the country We therefore approve of the increases suggested

There is however one other aspect of finance to which I must refer briefly, and that is the question of economy Here at the first reading of the Railway Member's speech, I was inclined to think that he was speaking with two voices —though he is not a man who is accustomed to speak with two voices—first I will refer to page 7 of his budget speech where he spoke of the urgent need for effecting economy and he very rightly referred to the committee set up for this particular purpose Later on when he came towards the end of his speech the part where he was discussing rates and fares there I found a sentence which I did not like very much He said

> Hopeful as Government are that some economies may prove practicable, it is expected that they will do no more than arrest the rise in operating cost

I should like to see the Railway Member take a more full flooded view about that when he gives instructions to the Enquiry Committee I hope he will not then deal with it in any doubtful hesitant fashion but that he will speak it, as he does on page 7 in which he says that economies have to be effected We in this House ought to tell him that we are not prepared to take it lightly for granted that in any institution spending 130 crores a year, there is no scope for economy We do know the wastefulness of large organisations, we do know the particular wastefulness when these organisations happen to be Government controlled We will be prepared to grant that by the exercise of due diligence it will be possible for the Railway Member to effect this some reasonable and substantial measure of economy

The third aspect of finance to which I can only refer to in passing is the new technique of control which it is proposed to introduce We cannot judge this in any detail because we have not been told what that technique is to be We only hope it means something different from what is many of us know is often meant by Governmental financial control Over and over again financial control in the sphere of government means that you can waste as much money as you like as long as you do it according to the rules We hope that the financial control which is going to be introduced in the railways will be of a different order than that We hope that when the new financial advisers are attached to the various General Managers the test they will apply will not be, can we say, no, have we got a good excuse to turn down this proposal at once that, we know, very often is the test applied by Finance Departments But the test should be, would it pay? Is it a sound scheme? Is it perhaps conceived on too niggardly and inadequate lines? We hope their financial advice will be real financial advice, and not a mere device for cutting down expenditure

There is another aspect of financial control or rather of finance on which I should have liked to speak in detail if time had permitted, and that is the revision of rating structure I merely would say on this point that last year, we urged in this Group the need for revision of rating structures We now consider that this monograph which has been produced on the subject ought to go a very long way towards effecting the kind of revision which we had in mind It is a well thought out and scientifically framed document and it lays down three principles which seem to us important The first is the principle of the telescopic rate, the second is the abolition of exceptional class rates and the third which is more a matter of procedure than anything else is the preparation of a

[Mr P J Griffiths]

rates register We always disliked the system under which separate calculations have to be made for every particular journey or for every particular consignment of goods from one place to another It always seemed to us not only antiquated, but also time wasting and also likely to lead to corruption We therefore very much welcome the attempt which has been made to place this matter on a more scientific footing by going in for a rates register

I have spoken of the financial strength of the railways I cannot stop to deal with their physical and mechanical strength and I will now speak briefly about the labour strength of the railways It is no use having engines wagons, plant for manufacturing locomotives and so on together with adequate finance unless you have not a well ordered labour force to operate your machines We are frankly very apprehensive of the labour situation all over the country Everywhere labour is making unreasonable demands, based on impossible promises dangled before them by irresponsible persons who pose as leaders of labour They have created in the mind of labour a mood which has made them believe that there is some kind of magic box from which all their fantastic demands can be met and which makes them completely indifferent to the financial capacity of the railway organisation to bear the strain That is the mood of labour all over the country The Honourable the Railway Member is alive to the dangers of that mood and we heartily endorse the warning given by him in his speech the other day Desirous as we all are that labour should get a fair deal, nevertheless the pitching of labour demands too high the fixing the scales of salaries and wages unreasonably high in proportion to the capacity of the railways to pay will in the long run have disastrous effects, not only all over the country as a whole, but over that very labour in whose interests these increases are sought Linked with that is the question of retrenchment Nobody in this House can talk lightly of retrenchment or can fail to realise its seriousness particularly for those employees who have their families to support But that does not alter the fact that in a great key industry like the railways you cannot continue indefinitely employing men who from an economic point of view are not needed Last year we hoped that most of the large numbers of what might be called surplus labour would be absorbed in new productive work It now looks as if we pitched our hopes too high It appears clear now that quite a large number of men can not be so absorbed and therefore we shall have to face boldly the question of retrenchment It is a pity according to my view, that that question has been postponed—I know this was done on the advice of the Standing Finance Committee and I am not blaming the Government for its postponement but I think that postponement was a mistake The question ought to have been faced boldly as soon as it arose It seems to me that the Honourable the Transport Member has already shown courage in this his first budget and we hope that he will show more courage during the months and years to come We particularly hope he will have the courage to say no where necessary and will say we cannot and will not employ people who are not required No question of sentiment ought in this matter to play any part or lead to a policy of a kind which in the long run will bring benefit and prosperity neither to the country nor to the workers themselves

Finally I must say one word about the coal situation As I speak about the question of coal I do so under the shadow of a great calamity which has befallen my country In that country today a very large number of people are suffering intense privations in one of the worst winters known for many years More serious still in the long view the wheels of industry have stopped turning export trade has come to a stand still and Britain will find herself in a weakened position *vis a vis* the rest of the world as a result of that great calamity which has befallen her in regard to coal That should serve as a warning to this country also Here the coal position is very far from satisfactory In a great many major industries concerns are carrying now without any reserve at

all, with just enough coal to keep their business going from day to day, with nothing whatsoever to fall back upon I do press on Government the necessity of giving number one priority in all their deliberations to the coal problem so that coal may be made available in larger quantities The seriousness of that situation has been realised by the Railway Member and I am certain he is determined to take the matter in hand It will be a gratification to this House, if in his reply he can give us rather more details, if he thinks it wise to do so in the public interest as to what the coal position is and as to the plans Government may have in view He may be able to give us some idea as to how long it is likely to take before the wagon carrying capacity is equivalent to the coal that ought to be carried We know this problem is uppermost in his mind and it will relieve the anxieties of us all if he can tell us what he has in mind and what is the particular method by which the Government intends to deal with this problem

To sum up, we have before us a budget which we regard as wise and statesmanlike We think it shows a proper appreciation of the financial difficulties that lie ahead and above all we think it shows a determination to grapple with these difficulties rather than a desire to take the easy course of courting cheap popularity at the cost of the future interests of India

Mr Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa Muhammadan) Sir, I do not think I will be able to comment on the budget proposals as a whole in the 15 minutes at my disposal I will only say that these proposals and the estimates are in the same old bureaucratic style as we have seen all through these years and shows no change either in the language or in the manner of preparation of the budget If you look to the complaints made in this House about the railways from the year 1912 when Sir Vithaldas Thackersay spoke in the old Imperial Legislative Council you will find the same feature continuing till now A lot has been said about the railways being a national concern of 800 crores and that they are being run on business principles But the 1946 47 budget reveals an expenditure of 159 crores against an earning of 206 crores and including depreciation etc it comes to 174 crores which means that the working expenses were 80 per cent if it is 159 crores and 87 per cent if it is 174 crores In 1947 48 the estimate of gross earnings is 183 crores and the estimate of expenditure is 135 crores excluding of course the Pay Commission's findings on which wages will increase That gives us a proportion of 73 per cent in 1947 48 I would like to know whether any business concern would spend 70 to 80 per cent of its gross earnings They have only multiplied the number of officers In his speech the Honourable Member referred to the appointment of Financial Advisers on the E I R and other railways, with their paraphernalia of staff to effect economies It reminds me of an incident in Patna where when a bund was made on the Ganges the engineers' inspection charges and travelling and other bills came to Rs 12 000 whereas the bund itself cost only Rs 3 000 That is exactly how the Honourable Railway Member is running the railways—exactly as his predecessors did Instead of calling the railways a public utility concern it should be called a public usury concern It is proposed to raise rates and fares at a time when you have taken away all the amenities that could be expected in a civilised country like India and when you have done nothing except making of an exhibition of a new design compartment in New Delhi station some time in March last It does not serve the public to know that you have an exhibition, held and promised to introduce this soon which will not be complied with before two years it only makes us uncomfortable in our constituencies when we give them only promises and nothing else

Now Sir every effort should have been made to check inflationary tendencies but we find nothing about it here except the increase in rates and fares The budget also reveals a bankruptcy in the system of accounting in the Railway Board The Honourable Member said that there has been an increase of 12½

[Mr Muhammad Nauman]

per cent over the pre-war rates so far I do not know whom he wants to convince by these fallacious arguments He knows very well that in pre-war days, there were week-end return tickets, ordinary return tickets, etc, which were availed of by 50 per cent of the travelling public Inspite of it you are increasing rates and fares at a time when corruption is rampant I am surprised that the Honourable Member made no mention of this corruption on the railways or the anti corruption drive which his predecessor mentioned in previous years It probably means that he and his men in the Railway Board are not willing to take notice of corruption at all These fares are being increased every day, every hour and every minute by undue corruption existing in purchase of tickets, reservations, etc I mentioned the ordinary and week end return tickets which were in pre war days used by 50 per cent of the travelling public I will give just one illustration to prove that ticket rate have increased by 66 per cent Between Patna and Calcutta the week end return tickets used to cost Rs 21 for Second class and Rs 42 for First class—giving you three days to stay at your destination The ordinary return tickets used to cost Rs 21 for Second class and Rs 48 for First class And now a single ticket each way costs Rs 21 Second class and Rs 42 First class This shows that the fares have not been raised by 12½ per cent as alleged by Railway Member but by 66 per cent I hope the Honourable Member will revise his system of accounting and understand the incidence of taxation

Sir we expected this budget speech of the Honourable Member to be different from those of his predecessors but we find no change The speech is dry insipid and devoid of any interest from the point of view of the public He has made no mention of railway accidents, he takes no notice of the fact that the railways have greatly deteriorated during war time and there have been more frequent accidents than in any other part of the world And he has not mentioned what steps he has taken or propose to take to eliminate these as far as is possible for human agency Indiscipline is rampant and that has been encouraged by the All India Railwaymens Federation of which the Honourable Member is so enamoured He mentioned that Federation and the threatened general strike but did not mention the Muslim Railway Employees League, Calcutta who were responsible for keeping the Muslim employees out of this proposed strike The Railwaymens Federation is responsible for creating unrest on the railways and they are out to gain popularity or notoriety, but the Railway Board has been encouraging this body Even the Railway officers are often encouraging strikes in order to gain popularity I have often written to General Managers but have found that some of them were not at all enthusiastic about anti strike arrangements being made No facilities were offered to the Railway Muslim Employees League Calcutta the Muslim Employees League Branches to carry on anti strike movement in the manner they wanted That means a sort of encouragement for 'strike' was being given by the Railways themselves, and the Federation people were trying to gain popularity or notoriety whatever you may call it They knew that those who created the disturbances in August 1942 won laurels and therefore it will bring laurels to them also if Federation created disturbance It is a peculiar thing in this country that by creating disturbances you prove your capacity for all sorts of power and you are honoured Sir I want to impress upon the Honourable Member that he should try to run the Railways in the interest of the people concerned He has mentioned that the Railway Federation and their henchmen have been preaching the 'Go Slow' slogan with the result that he cannot even supply the public with printed tickets on many railway stations and I have been told by the General Manager, E I R and a few others that they could not help it because the press would not work And it is because of this 'Go Slow' campaign May I know from the Honourable Member what steps he has taken to put a stop to this tendency and to check the activities of the 'Railway Federation' agencies who are responsible for this campaign

Sir, I do not wish to say much on the question of how the various commodities will be affected by this increase in freight because I will have a chance to say a word or two on that at some later stage, but I must say that it is not an increase of 6¼ per cent in fares as represented by the Honourable Member but it is in fact 66¼ per cent on the pre war rates as I have already explained He has no business to give a false impression to the people of this country by saying that it is a small increase and that the Railways have been one of those organisations which have not taken advantage of the spoils of this war As a matter of fact Railways has been an active participant in it and he must confess it boldly I definitely oppose any proposal of increasing the rates and fares and I would ask the House to oppose it In 1944 when the rates and fares were increased by Sir Edward Benthall we opposed it, and this year we should not accept it simply because the Budget has been presented by Dr John Matthai No new facts have been brought to light justifying any further increase in rates and fares and I hope the House will support me in compelling the Honourable Member to withdraw his proposal of making an increase in rates and fares

Mr S Guruswami (Nominated Non Official) Sir, in the first place I congratulate the first popular Indian Transport Member on the courage with which he has presented the Budget But that does not mean that I agree with what he says As a matter of fact he has made a few statements in his budget speech which I contest In paragraph 37 of his Budget Speech he said

> That the Government have decided that the time has come to raise the level of railway charges to ensure the solvency of this national undertaking"

I most respectfully repudiate the statement contained here that this national undertaking is in danger of being insolvent

Secondly, he has made himself responsible for another statement that the Railway Reserves are such that it will take some seven years, at the rate of contribution which he proposes now to build up a reserve as recommended by the Wedgewood Committee

Thirdly I want to make it clear that he has not sufficiently emphasised the contribution which the railwaymen have made to the prosperity of the country in these difficult years.

In the first place Sir he proposes to increase the rates and fares to balance the budget to the tune of 10½ crores of rupees I submit that this increase in rates and fares is not required for railway purposes It is required to meet the needs of the Finance Department and not for balancing the Budget so far as railway requirements are concerned He has budgeted for a contribution of 7½ crores of rupees to the General Revenue after meeting the loss on strategic railways This story of reprehensive contribution to the general revenues by taking it from a public utility concern is a very old one but the Honourable the Railway Member has not taken any lesson from the criticisms which have been offered in the past on this question and he has in this respect followed the reasoning of his predecessors He has also not considered that the Railways have been contributing to the general revenues by charging the military traffic at lower rates with the result that if the contribution which the Railways have made to the general revenues is properly assessed it would be of the order of 30 to 40 crores of rupees and not 9½ crores which the Honourable Member has mentioned for the year 1947 48 Therefore I submit that there would be no danger to the prosperity of this national undertaking if this increase in rates and fares is not effected Let the public understand that this increase in rates and fares is not required for railway purposes but for the purposes of the Central Government, it is a method of raising taxation for the Central Government and not a method of balancing the railway budget

[Mr S Guruswami]

Another statement which the Honourable Member made was that according to the Wedgewood Committee's report a reserve of 50 crores of rupees is required, and that reserve is not possible for another seven years, and therefore he is trying to make a contribution to that from now I want to make it clear to him that in 1937 when the Wedgewood Committee enquired into the state of railway finances they found that the actual balance in the depreciation fund was only 14 crores as against a book balance of 40 crores, and they said that 30 crores in the depreciation fund would be a reasonable figure According to the figures which he has quoted for the information of this House 'the balances in the Betterment Fund, Depreciation Fund and Railway Reserve at the end of 1947-48 are estimated at 14·56 crores, 101·92 crores and 26·45 crores respectively, totalling in all 143 crores of rupees as against 50 *plus* 30=80 crores of rupees which the Wedgewood Committee contemplated as an ideal figure to be reached Therefore, I submit he has already got in his pocket more money than the Wedgewood Committee considered as a reasonable figure for the purpose of railway reserves Therefore I say that he is creating new funds which are intended only as window dressing, it is a book keeping trick—I hope he will excuse my using that expression—to show that the railway reserves are in a bad way and need replenishing by increasing rates and fares Really speaking he wants to increase the rates and fares for the purpose of meeting the requirements of the Central Government, let him say so instead of saying that there is a deficit budget for the next year

Then Sir, he has referred to the fact that 85½ crores of rupees is the pay bill for 1947-48 He obviously wants to give the impression that it is a very high figure In 1939 the Wages Bill was 35 crores of rupees and any person who is not acquainted with the railway finances will be tempted to say Oh! the wages Bill has increased from 35 crores to 85 crores of rupees', but I have with me the figures quoted by the Transport Member himself which show that the cost of living has increased by 159 per cent and the general price index has increased by an even higher figure, and on that basis if the number of people that were employed in 1939 were continued to be employed now without any addition to their pay, I submit that the wages bill should have been 90 crores of rupees instead of 85 crores of rupees to offset the increased cost of living They have not been compensated for that rise in the cost of living This labour strength has increased by 300,000 nearly 50 per cent in this period and on that basis I submit that the contribution which the railwaymen are paying to the relief of the Central Government or to the railway revenues is to the tune of Rs 45 to 50 crores and this credit is not given to the railwaymen The public are not being told that today if on the basis of the principle that full compensation would be paid for the increase in the cost of living for the men who are now today employed at the rates which were prevalent in 1939, the wages bill should be about Rs 140 crores instead of Rs 85 crores that it is to day

12 Noon

There is the third point—the Depreciation Fund I have made it clear before the Standing Railway Finance Committee—and I challenge them to look into the practices prevalent in Great Britain and the United States—that on that basis they are charging Rs 5 crores more on the revenue side every year in the name of the Depreciation Fund They are all secret reserves and if you have too much money there is a temptation to spend extravagantly on capital undertakings For example, we have been told that several McArthur locomotives have been purchased There are many more locomotives to be purchased and there is a complaint that the locomotives are being purchased at three times the pre war figure The All India Railwaymen's Federation is affiliated to a body known as the International Transport Workers Federation They gave me a document to say that in Europe the office of the United States Foreign Liquidation Commissioner in Paris

announced that by 10th December 956 American locomotives are being offered for sale in Europe at 25 per cent of the original cost and some of them which are coalburning locomotives and stored in German yards in Frankfurt and Stuttgart are priced at ten thousand dollars I want the Transport Member to know what is happening here It is for his Department to keep in touch with the progress of locomotive development undertakings and to say whether we are getting, American locomotives at the prices at which we should get them and not at an extravagant prices in order to liquidate all the balances in the Depreciation Fund which have been built up at the cost of the railwaymen and the public Today the public are saying that the railwaymen are asking for an increase in wages and therefore there has been this increase in fares This is a white lie On the contrary it is to help Mr Liaquat Ali Khan, the Finance Member Let that be made quite clear As a measure of taxation I do not oppose an increase in rates and taxes It may be necessary to increase the present taxes further But if you say it is required for the necessity of implementing the demands of the Pay Commission, I say it is not, because if you go into the financial aspect of the railway undertaking, if you examine the Depreciation Fund rules, if you examine the arguments of the All-India Railwaymen's Federation which have not been properly considered, you will find that the railways are opposed to meet the reasonable demands of the railwaymen and the demands of the public That is what I want to emphasize in the course of my general observations on the budget

Then Mr Griffiths was very eloquent about the necessity of retrenchment I say we are not against reasonable retrenchment if properly done In other countries there are unemployment insurance institutions which enable industrial undertakings to weed out inefficiency, to remove surplus labour and to balance their man power according to actual requirements Here conditions are different At the same time let me make it clear that it is a wrong impression that thousands of men are simply sitting quiet and feasting on the railway revenues That is not correct If all the evidence submitted before the Railway adjudicator is properly considered, it will be seen that the railway men is not only worked but over worked, and to say that there is a surplus of men is not true It is not true that there are large numbers of men who are surplus today But the Transport Member is responsible for giving that kind of impression He said that according to the agreement reached with the All India Railwaymen's Federation we have stopped retrenchment Technically he is right But it means nothing In a year about 3 to 4 per cent of the Staff retire by death and voluntary retirement that means a reduction in manpower of 30/40,000 And if 35 000 men have been compulsorily retrenched, it would mean that about 70,000 posts have been made vacant in spite of the undertaking with the All India Railwaymen's Federation This House must realise that many thousands of men are working 84 hours a week though the intensity of that comes to 84 hours a day although the total number of physical hours are 24, because they are over worked Morally, I am correct in saying that they are working 84 hours in a day of 24 hours But it is not that which I want to say now What I am saying is that all the men are having a worse standard of life than was the case before the War That is a fact which this House must realize What is more the wages scale today is worse than what it was a quarter of a century ago on the railways, considering the high cost of living in addition to the need for rise in standards of life I do want to say that if railway revenues have to be properly administered let this House revise the recommendation concerning rail road transport You are going to face more than Rs 5 crores loss on account of unfair competition from the road motor transport What are the steps which this House has to recommend to counteract that danger? That must be fully understood if the public are to be made to pay Rs 10½ crores Then you have to re examine the rules of the Depreciation Fund and I make this challenge to the Transport Member Tell me whether it is not a fact that in the United

[Mr S Guruswami]

States of America not more than 4 to 5 per cent of the gross revenues are taken for the Depreciation Fund as against Rs 13 to 14 crores that are spent here

I do not want to take up more time But I want to make it clear that the railwaymen have contributed by accepting a lower standard, a profit of Rs 50 crores per annum by not being paid what they should have been paid and the recommendations that may have to be implemented as the result of the Pay Commission and the Railway Adjudicator are not such as to unbalance the Railway Budget And whatever the Government are proposing to do by way of increased rates and fares is not for railway purposes but for the purposes of general finance

Dr Zia Uddin Ahmad (United Provinces Southern Divisions Muhammadan Rural) I congratulate ourselves for the unique occasion that the Railway Budget is for the first time presented by a Government representing all the Parties and represented by an eminent economist who belongs to the minority community and we hope all our difficulties, financial and economic will be gradually removed

Shri Sri Prakasa And the minority will become the majority!

Dr Zia Uddin Ahmad. That calculation I leave to you

Mr President Order, order

Dr Zia Uddin Ahmad. I shall first ask the Honourable Member a simple question, on which the Railway economic policy will depend Should the Indian Railways be considered as a nationalised industrial fund or should they be taken as solvent service of public utility The administration ideals will substantially differ under these two different ideals In the case of rates and fares to which reference was made by Mr Griffiths, you have, in the opening paragraph of the Railway Advisory Committee report said that the railway is a national industry and the product manufactured is transportation and the movement of persons and goods from one place to another, this be taken as the commodity produced This is the opening paragraph of the report on which you have formulated your policy and naturally you were led to follow the wrong dictum, 'charge what the traffic can bear, a dictum which was devised at a time when the railways were run by the companies and when the railways were considered to be business concerns, or treated as industrial units The policy of rates is framed on this principle, but in the last paragraph of the same report the opposite ideal is mentioned

'The railways are a national undertaking and their purpose is to serve the best interests of the country to a degree consistent with their own solvency

The opening paragraph is inconsistent with the concluding para of the same report You have to choose one or the other Either you should be a national business concern or declare yourself to be a solvent service of public utility In the first case your dictum on which rates and fares should depend will be 'charge what the traffic can bear', and in the second case the dictum should be 'remit what your solvency can afford Therefore there are two different dictums Choose one or the other totally different from the other, though I entirely agree with certain suggestions in this report which are a great improvement on the existing conditions

In case you declare yourself to be a business concern we naturally ask you to pay income tax in the same way as every other country is doing You are exploiting labour in the same manner as other business people do, as my friend Mr Guruswami said, and then you manipulate your finances in such a way as to cheat the shareholders and also the incometax-payers You manipulate your finances as to make your contribution to the general revenues as little as possible

If you consider yourself as a public utility service, then you will have to charge as much as may be necessary to make you solvent Pay adequately to labour and provide all the facilities for the travelling public When you are considering yourself to be a business concern you have to accumulate reserve under several heads—book keeping tricks as my friend Mr Guruswami called it It is done to show the minimum surplus You have accumulated like other business concerns you reserve under three different names, an amount aggregating to 163 73 crores and not 126 as my Honourable friend Mr Griffiths said, according to the figures supplied in this budget This accumulation is not justified and this is what has led labour to represent very strongly that they do not get enough to eat and that you keep in your pockets 163 73 crores in reserve I beseech my Honourable friend the Railway Member that he should not put himself in a position like a bat who calls himself beast and bird, as it suits his purpose I would like him to tell us here on the floor of this House whether the Railway should be considered by us as a public utility service or as a nationalised industrial firm following all the manupulations of business concerns

The first thing I would impress on the Honourable Member is that the official policy about running the railways should be that it is a public utility service In that case do not cripple your rivals (road transport service) as the railways are doing at present They are making every effort to put all sort of artificial restrictions on road transport They also enter into it as a paying business and they are trying to snatch away the capital from private enterprise These are the modes of business people, who try to kill weak opponents which you must abjure if you decide to call yourself a public utility service You call yourself a public utility service in order to avoid paying incometax and in actual working you proceed as if you are a businessman and employ all the methods of the businessman This is very undesirable It will be very strongly resented by people in general who have common sense and who understand business

I would like to put the budget in a different form, as I do not like the manner in which it is put now I do not use the word depreciation, because time after time I have been condemning it so much so that whenever I talk, people ask me not to talk of depreciation I would only ask you to do what every other country is doing I have read the railway reports of different countries I can read French, German and Italian I would ask my Honourable friend to read them, as there are certain principles which he can profitably adopt in this country

I request him to stick to the fundamental principle accepted by my country that every expenditure which does not yield income should be put under revenue account and every expenditure which yields income should be put under capital account My Honourable friend should adopt the same principle Accept this principle and railway finances will be simplified Perhaps your financial experts will not advise you to adopt it because they would not like to go outside the rut which they have been following You cannot say that you are the only intelligent people in the world and all others are back numbers that your intelligentsia is superior to the intelligentsia of other countries Other countries consider railways to be a public utility service whereas you think that it is a business proposition, that you must build up your reserves which is already 163 73 crores If it is, take betterment reserve, have you a programme? If you have prepared one please lay it before us and we will grant you the money You want to take our sanction by back door methods

I have rearranged the budget figure myself but time will not allow me to lay it before the House The figures are just the same but I have only rearranged them on the following three principles The first principle is

Shri Sri Prakasa Why did you take so much trouble

Dr Zia Uddin Ahmed Because we are paid Rs 45 a day

What should be the reserve? My Honourable friend Mr Griffiths suggested Rs 50 crores Wedgewood Committee recommended the same, but I give him

[Dr Zia Uddin Ahmad]

Rs 100 crores, because that will be just sufficient to meet the habilities of lean years I remember Sir Frederick James said 10 per cent that is, 80 crores But I allow 100 crores for the reserve

(2) Every country discusses the operating ratios Excluding the interest charges it should be 80 per cent in flourishing times It may even be increased to 85 and 90 per cent when the prices are increasing and when the cost of living has gone up I would like to put the operating ratio at 80 per cent and even a bit further in the present days but dearness allowance in the shape of cheap food may partly be met by Reserve That is the second principle

(3) My third principle is about contribution to general revenues This contribution is in lieu of income tax You don't pay income-tax and in lieu of it we pay Rs 10 crores In these days when the revenue is coming from the Government traffic it may be more During war time a major portion of the revenue came from the Government If you give it back in the shape of contribution it will not be unworth In normal years Rs 10 crores is all right You may fix it at Rs 10 crores and it may vary in boom and lean years

(4) Fourth principle is that every expenditure yielding revenue, should be debited to capital account and met by borrowing and every expenditure which does not yield revenue should be debited against revenue account

Keeping these four principles in mind there is absolutely no room in this budget, or in the budget of any other country, for having one reserve, a second reserve, and a third reserve Whatever you have to spend, if it does not yield, put the entire amount in the revenue and be finished with it With this principle I have rearranged the whole budget Whatever you spend for Betterment or Depreciation should come from revenue

The next thing to which I would like to refer if time permits is the question of co ordination of the rail, road, water and air services If you put the co-ordination in the hands of the railways they are sure to kill their opponents These different forms of transport should be under different Members so that anybody should be able to push forward his own form of traffic without crippling others And they should be co ordinated not by the Railway or other Members but by one who is in charge of Development Department and who co ordinates expenditure on various plans My Honourable friend Dr Matthai as a Railway Member cannot protect Road services But my point is that the work of co ordination should be done by an entirely different agency

There is one thing which I do not understand The recruitment of Muslims has increased this year from 22 7 to 23 9 per cent , but when the recruitment has increased in percentage the deficiency in our quota should be improved But I find that the deficiency in our quota last year was 9,021 and this deficiency has increased to 12,768 this year The increase in the percentage of recruitment should lead to the diminution of our quota, but we find just the reverse and I hope somebody would look into the matter

Shri Sri Prakasa Is there that trouble in the other countries also the reports of which you have read so closely?

Dr Zia Uddin Ahmad In other countries the problem does not arise As regards labour they are at present dying of hunger They do not like that you keep in your pocket Rs 163 crores in reserve and allow them to starve

Sreejut Rohini Kumar Chaudhuri (Assam Valley Non-Muhammadan) Mr President, Sir the Honourable Member for Railways has already received the congratulations of different members and I do not want to burden his shoulders by putting more garlands round his neck He has also received some adverse criticism but I do not wish to waste the time of the House by trying to expose the weakness of that criticism But I will tell the House some hard facts which might sound like a story but which are nevertheless true In the eastern corner of this great country which you had so long called *Bharathvarsha* there is a

town which is known as Tezpur which was formerly known as Somtpur where Aniruddha, the nephew of Lord Sri Krishna had gone and fought for a bride

Shri Sri Prakasa Did he go by rail?

Sreejut Rohini Kumar Chaudhuri He came all the way from Dwarka and I am told that that system is still going on in that part of the country But whatever that may be, there is a railway, which is called by my Honourable friend the Railway Member a tramway and which is known as the T B Railway The word T B does not indicate the tubercular condition of the railway but it stands for something else T stands for the word Tezpur and B for Balipara, and the Railway is the Tezpur Balipara Railway

Shri Mohan Lal Saksena (Lucknow Division Non-Muhammadan Rural) The name of the railway should be changed, I think

Sreejut Rohini Kumar Chaudhuri In this railway there is only one engine That engine also sometimes fails with the result that the passengers have either to go walking to their destination or give a helping hand in pushing the train Then, Sir, in this railway the compartments have no doors I had mentioned this last year also There is no light in the compartments There is no arrangement for lavatories, etc There is no arrangement for water supply In the last budget session I raised these particular points and I was told that this railway must continue for another five years I do not see why in these days of nationalisation of even small things like motor buses, the Railway Department does not think it proper to nationalise this railway, or at least extend the B A Railway line from Rangapara to Tezpur

There is another point which I want to say about my province of Assam and I hope Honourable Members will not be startled by hearing the name of Assam because I am not going to bring into the debate the question of Sections or Grouping or even of Pakistan I am only speaking of the difficulties of railway travel which we really experience there Now there was a talk of having a bridge over the Brahmaputra and my honourable friend's predecessor said that it would be constructed at a point near Goalpara but subsequently the idea was abandoned because it was not considered commercially profitable But it was said that it may be done if it was required for strategic purposes I submit that even in peace time there is enough traffic to warrant the construction of a bridge so far as the province is concerned and I would like to bring to the notice of the Railway Department that it will be useful to have a bridge over the Brahmaputra river

Again I would draw attention to several projects of new constructions There was at one time a project of having a double line on the section between Golokganj and Amingaon That was abandoned and a considerable sum of money was wasted Then another survey was made between Mymensingh and Pandu That was also abandoned At present a survey is being made from Bongaigaon to Pandu This will also be abandoned perhaps shortly I would ask the Honourable Member to instruct his subordinates to make up their mind one way or other and decide what to do and not play with public money like this

Then there are several services which were stopped during the war and which it was promised would be resumed The Habiganj-Saistaganj branch line in B A railway is one which has not been resumed at all

Yet another constructive suggestion which I would like to make is that a through metre gauge line should be constructed from Santhahar to Sealdah, so that fruits and vegetables may come directly to Calcutta without transhipment from Amingaon If this is done great relief will be given to the agriculturists of the province and this will also benefit the people of Bengal

As regards the general budget, I do not quarrel much about the increase in rates and freights Such increases must have been made after due consideration by the Honourable the Railway Member What I would want him to do in return is this We want him to take effective steps to prevent loss of life due to

[Sreejut Rohini Kumar Chaudhuri]

accidents which have been rather frequent of late We want that there should be fewer occasions for employees to go on strike We want that discontent among employees should be removed, so that there may not be any tactics of go slow process which is going on at present

[At this stage Mr President vacated the Chair which was then occupied by Mr Deputy President (Khan Mohammad Yamin Khan)]

Something like an honest observance of the time tables should also be insisted upon At present even the principal mails are late by hours During the course of one year I have seen that the Delhi Mail which is one of the principal trains never comes in time You must consider yourself lucky if the train comes within one hour or two hours If this is the case with the Delhi Mail, you can imagine about the less important trains The mail which takes you to the capital of India is always late by a couple of hours What happens is that if the train comes at an unusual hour, great miseries are caused to the women and children People who come to receive them have to go away because they do not know at what time the train would arrive I have tried to enquire from the enquiry offices on the phone but I never get a reply The phone is left on the table and we hear that the line is engaged The happy period of engagement seems never to be over there

Then another difficulty is this If the train was always late by two or three hours, you can make allowance for it and arrange your plans accordingly but sometimes by a freak the train comes a few minutes after due time and then the whole arrangement gets upset This thing ought to be prevented You must ask the Railway Board to make the trains habitually late and avoid coming in time on occasions

Then, Sir, I would also insist on the removal of congestion particularly in the third class Unlike cinema houses and the road motor transport, tickets are issued without any regard to the fact whether there is accommodation or not They simply go on issuing tickets In the Railway Department, two classes of employees are very busy One is selling tickets without any regard to the fact whether there is accommodation or not They will sell tickets far in excess of the capacity of the train which is moving and the other is the ticket collectors who get hold of passengers in the hope of getting something for the railway and something for themselves I say that some system should be introduced by which you must stop the issue of tickets when you know there is no room even for standing It is dishonest to issue tickets when there is no accommodation in the train

Then you must give facilities for passengers to get into the trains Nowadays we find that long before the train starts the ordinary communication door cannot be used and the passenger has to go in by the window It is all very easy for ordinary persons who are lean and slender to get in in that way but what happens when a man has a bulky female relation You are talking of helping women and children Children are all right They can be put in but what about bulky women relations? What are you going to do about it? I say, Sir, that you should try to stop this method of going into the train through the windows which is a process fraught with danger One may be slender at one time and may become bulky later on Anyway this is a method which has got to be stopped

Then once you get into a compartment it is very difficult to get out You run the risk of being overcarried and then you run the risk of falling into the clutches of the ticket collector You are overcarried because you cannot come out Then you find that the Ticket Collector is prowling about and you have got to give him something So, a regular rescue party is necessary You need a relation or a servant to bring the passenger out of the compartment One has got to push them in the compartment and one has got to bring someone to bring them out of the compartment.

Mr. Deputy President: Honourable Member's time is up

Shri Mohan Lal Saksena Let him be over carried for a few minutes

Sreejut Rohini Kumar Chaudhuri Sir, why not follow in this case also the railway authorities They do not observe any time table Why should you observe it?

Mr Deputy President The Honourable Member must conclude his speech

Sreejut Rohini Kumar Chaudhuri I know, Sir, that the Honourable the Deputy President of this Honourable House cannot put himself in the position of a Railway Manager or the Member of the Railway Board

My point is this I want to remove the congestion in the third class compartments and the proper method of getting into them and coming out of them I want water at the railway station which we cannot get now Then, third class passengers cannot come in contact with the vendors of food and get food for themselves You might introduce a system by which a vendor should go to the third class compartments and sell his stuff

Then, Sir one word more about freights The price of foodstuff has already increased and owing to the rise in these freights, the price of foodstuff would be further increased Eeven then if we do not get foodstuff properly, things will come to such a pass that those who represent the public in this House will run the risk of personal and corporal punishment from our house-wives These days everything is wanting There is no fuel and there is no food And if in addition to that I have to pay a higher freight then life becomes very difficult

One constructive suggestion that I would like to make about the removal of congestion is that we should allow freer use of motor transport on the roads and the number of motor buses must be allowed to be increased If there are more buses running on the roads, I think the congestion may be somewhat eased

Sardar Mangal Singh (East Punjab Sikh) Sir I congratulate the Honourable the Transport Member for his making the presentation of the railway budget for the first time, but I hasten to sympathise with him He has been working under certain disadvantages Although he is versatile enough and his abilities can be switched off at a short notice to different departments his difficulties were peculiar The Government have appointed about half a dozen Committees and Commissions whose reports are still to come and the Government have to make up their mind on those proposals Under these circumstances, ordinarily the Transport Member ought to have waited for these reports to come and until such time as the Government had bestowed considered opinion on those recommendations In his opening speech the Honourable Member said that it is a unique occasion He spoke for 75 minutes and I was waiting all the time to hear from him any unique proposal from this Government I confess that if his speech is to be read by a man who does not know the change of the Government and who has suddenly come to this country he would not be able to know whether the Honourable Member who has presented this budget belongs to a National Government on an Interim Government or a Care taker Government or any other Government There is no proposal and there is no aspect of the budget which reflects any unique occasion

There are proposals to revise our rates structure and also to arrange regrouping of the railway systems These are undoubtedly welcome proposals The rates structure of the Indian railways has so far been working very adversely towards the development of our industry, our business and, if I may say so, our agriculture It is hoped that this Government will so revise our rates structure that it will give real assistance to our industries and to our agriculture and it will not be conceived as it has been so far, in the interests of the exporters and importers

Sir, I leave the highly intricate point of finance to other friends I am here to put forward not the point of view of any capitalist but I want simply to put

[Sardar Mangal Singh]

forward the point of view of a passenger From that point of view, I must confess that the Railway Member has been rather harsh In spite of his better ment fund, he has not been able to do anything There is not a single proposal to increase the amenities of the third class passengers Look at their waiting sheds, they are like cattle sheds Look at the over crowding of which my Honourable friend from Assam has given a real picture Nothing has been done to provide any amenities for the third class passengers for whose benefit this betterment fund was originally instituted They have spent some money out of this fund to re model certain railway platforms I submit, Sir, that this is a misuse of the fund It was not conceived, it was never intended that any money should be spent from this fund for the construction of railway stations or for the building of railway platforms

The most important point in his budget is his bold stand about increase of fares and rates I noticed that the Leader of the European Group—who is not now in his seat—praised the Railway Member and the Government for not playing to the gallery I wish to warn the Government that this is a dangerous advice The old bureaucratic government could afford to heed that advice What is this 'playing to the gallery' mean in plain language? It is to give due respect to public opinion in this country This is a popular Government, our own Government and if this Government does not care for public opinion, who will care for that public opinion I therefore respectfully submit that the advice given by the Leader of the European Group should not be accepted at its face value The Government should take into consideration the difficulties and the views and the feelings of the people of this country So far it was possible for the Railway administration to ignore those difficulties But, now, Sir a popular government is in power and it is expected that the difficulties of third class passengers and of our traders will be listened to The important point to which I wish to refer is the increase in railway fares and rates The Honourable Railway Member has justified it on several grounds I am aware that when he gets up to reply to the debate this evening he will fling at me the rising index number But may I respectfully ask him, has the income of the people increased according to that index number? Has the salary of the government employees increased according to that index number? Obviously no Then where is the justice of reminding this House and the public that the index number has gone up is the Honourable Member said to 285 or 260 True it has gone up Is it the stand of the Government to increase the railway fares because the index number has gone up? My Honourable friend shakes his head On the other hand it is the greatest sin of the Government that they have allowed this index number to go high up All governments in other countries have taken jolly good care to see that the index number does not go high Look at U K and other countries where Governments have spent large sums and yet they have taken care to see that the prices do not go high Then, the Honourable Railway Member says there is a gap of 10½ crores in the revenues of the country I respectfully differ from him I am sorry that the Honourable Railway Member the great and eminent economist that he is the able man that he is who can understand business well has in this matter fallen a victim to his departmental chiefs He has underestimated the income Has he not seen the figures of last year? The income under traffic, according to the revised estimates of last year has increased by 29 crores It was originally budgetted to yield 177 crores but it came up to 206 crores I am of the view that the same thing will happen now and the income which he has shown is definitely an under estimate Expenditure again is over estimated That is the trick of the bureaucracy to which my Honourable friend has fallen a victim this year also I request him to reconsider the position and on reconsideration he may probably find that there is not much gap in his budget expenditure and income There is nothing so urgent except of course the index number on which he denies he bases his claim There is nothing urgent to increase the fares and rates On the other hand this step of Government will

definitely lead to inflation which is our greatest curse in the country at present I am sorry the interim government has done so far nothing to decrease the price of articles The government is increasing the railway fares and freights The Government is increasing the rents of buildings What does this all lead to? It will add to the inflation Prices will go up Your employees will demand higher salaries and all this vicious circle will be perpetuated and there will be no end to our troubles I therefore submit that this Government should postpone the proposals to increase the rates and fares The Government have appointed a Railway Enquiry Committee to effect economies The Government is also considering the question of amalgamation of railway systems This will definitely decrease expenditure These proposals are before the Government The Government have plenty of funds to fall back upon in time of difficulties My Honourable friend has got many pockets He puts 7 crores from his outer pocket into his inner pocket and he says I have got no money, give me more money This is the usual trick of the bureaucracy He keeps seven crores, puts something in the reserve fund, something in depreciation, puts something in betterment fund and then in the end comes before the House and asks for a sum of ten crores more No, Sir If he looks into it more carefully he will find there is no deficit At the same time I should warn the Honourable Member that he should not act as the tax gatherer of the Finance Member Railway after all is a public utility concern If Government are going to increase railway fares and rates according to the index number then may I ask the Government whether they are going to increase the price of post cards envelops, telegrams and so on according to the index number Before the war the post card was three pice and we reduced it to two pice because it is a commodity of the utmost utility to all the people in the country Its main object is to cater to the benefits and needs of the community as a whole

Mr Deputy President The Honourable Member has one minute more

Sardar Mangal Singh I am sorry I have not got much time I will not raise any new points My only submission is that Government should consider the whole structure of fares and rates as they are also considering regrouping of railways They have also appointed a Railway Enquiry Committee which will effect economies In view of these steps I hope the Government will postpone for the present the question of increasing railway rates and fares this year If necessary we may take it up next year and deal with it on its own merits With these words I resume my seat

Hafiz M Ghazanfarulla (Rohilkund and Kumaon Divisions Muhammadan Rural) Sir, this presentation of the budget and the speeches made on it have become an annual routine I will request the Honourable Member to instruct the railway officials sitting behind him and in the gallery to go through the speeches made here and inform every member what has been done with regard to their complaints My Honourable friend Mr Nauman has already dealt with the proposed increase in rates and fares and so I will not go into that at length but I should like to know what amenities have been provided for the travelling public I have on occasions seen saloons 40 to 50 feet long being attached to trains while First and Second Class passengers had to sleep on the floor On the O & T Railway I have seen sometimes four saloons together running from Gorakhpur to Allahabad and third class passengers as a result had to travel with great discomfort Of course this has been going on for years and no one, not even our present Railway Member can do anything

1 P M

It is now two years that the war is over and what has been done about third class passengers? Nothing has been done and nothing will be done Only the other day I was travelling in the First and Second Class and there were not sufficient lights in the carriages and no lights in the bath rooms The public cannot do anything about these There is only one body, they are the managers supervisors and proprietors of Railway concern You call it

[Hafiz M Ghazanfarulla]

a business concern, if it were so it would have paid 93 per cent in the last two years as excess profits tax, but you have paid nothing and done nothing

The late running of trains has been referred to The position on the E I R is very bad I asked a question the other day of which the answer was not read out in the House because it was not reached but the answer was given to me The question was about 13 Up and 14 Down trains I asked whether these trains ever arrived in time in the whole month of January in Calcutta and Delhi The reply was that they never reached in time I think that is a disgrace for anybody who runs the administration Do you think a business concern would have done that? If it did so somebody would in five minutes ask for an explanation but here nobody does so There is a proverb *Khud Kooza Khud Koozagro (Khud qile Kooza)*

You are yourself the cup the manufacturer of the cup, and also the earth out of which it is made To whom can we complain and what can we expect? For God's sake please create some machinery In the provinces there is a demand for the separation of judicial from executive functions, let there be some separation here and some one to look after the management I was travelling one day recently between Moradabad and Lucknow and I found a dearth of tickets at the stations They made tickets out of parcel receipt books then they used receipts for dogs and then they started with ordinary pieces of paper The General Manager was in that train, and when I asked him he said they had no ticket forms I suggested that he should get them printed in private presses he said he could do nothing about it That Sir is not the way to run a business concern People cannot keep their business appointments If I have to come here for a committee meeting I must come one day in advance The other day I was coming to attend the Assembly session and I wanted to start from Allahabad by this famous 13 Up, but it was two or three hours late So I sent my servant by this train with my luggage and myself left by air When I reached here on the 2nd at 1 30 my servant had not arrived I went to the station and was told that there was no news of the train and when it arrived here in the evening it was nine hours late the result of which was that I was without any bedding till 8 o clock at night and had to borrow some bedding from a friend Ultimately my man came at 10 p m Can you say that a business concern will run its show like this? My Honourable friend the Railway Member should instruct his officers to do something about this and look into our complaints otherwise what is the use of our making speeches here and getting them printed? Recently I asked a question about the general late running of trains on the E I Railway and I was told that it was due to causes beyond the control of the railway administration If you are not fit why run the show at all? Please make some other arrangement The Honourable Member for Railways has said that 'the Indian Government Railways are by far the largest industrial concern under one management in the country employing over 9 lakhs of workers of all grades I think you had better make some sort of a distribution of Railways into different groups otherwise it is quite obvious that you cannot run them properly

We are hearing about the restoration of lines which were dismantled during the war for the last one year I asked about the restoration of Bijnaur Chandpur line which is one of the most important sections but nothing has been done so far We have been informed that action is being taken and perhaps a survey is being made but what has been done Nothing has been done up to this time

There is a shortage of trains in Nagpur Bombay Section Only one mail train runs between these two stations Efforts should be made to increase the number of trains on this section

With these few remarks I resume my seat

Mr Sasanka Sekhar Sanyal (Presidency Division Non-Muhammadan Rural) Mr Deputy President, Sir, I will not be just to myself or to the Honourable the Railway Member if I do not tell him that I do not feel very happy over the Budget which he has presented He has been congratulated for having had the unique pride and privilege of presenting the first national railway budget For that certainly we congratulate him because by congratulating him on that we congratulate ourselves But so far as the Budget itself is concerned, I submit I may be allowed to tell the Government, which Government I support, that the general reaction outside this House, and therefore also to some extent upon the members of this House who represent the public outside, has not only been not happy but it has to some extent been disappointing Sir, I agree with my Honourable friend, Sardar Mangal Singh, when he says that the congratulations of the Leader of the Opposition, my friend of the European Group is rather dangerous They have their own outlook on things, we have ours, and therefore unless there is something fundamentally not very acceptable so far as we are concerned, these people would not come out so easily to congratulate

Sir, I will not deal with the wider and deeper aspects of the Budget, I will simply deal with it from the point of view of the common man For one thing I do not understand the intricacies of high finance involved, but I certainly claim to understand the commoner's reaction to the budget proposals From the discussion and criticism which we see in the press—although the Press is now a days very reticent because we are giving the present Government a chance—it is obvious that the press and the public do not favour this proposal of increasing the rates and fares I will ask only one question What is the justification for suddenly proposing this increase in rates and fares? Sir Edward Benthall once thought of doing so, but he dropped it During the time of Mr Asaf Ali we heard of a press conference and meetings of the Railway Board where it came out that the rates and fares were going to be increased

Mr. Deputy President The Honourable Member can go on with his speech after Lunch

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

The Assembly re assembled after lunch at Half Past Two of the Clock, Mr Chairman (Syed Ghulam Bhik Nairang) in the Chair

Mr Sasanka Sekhar Sanyal Mr Chairman, Sir, as I was saying, I can understand the Government asking for money I can understand Government asking for money for railway structure and finance I can even understand Government asking for money so that the railway employees might be housed better I can even understand the Government asking for more money out of railways for diverting to the Central revenues But what worries me is this that this is not the context for going in for abrupt increase of rates and fares

In the first place, Sir we know that there is a Pay Commission which is still sitting, and the decisions of the Pay Commission will have such an important bearing upon the implications of railway finance that it cannot be and ought not to be anticipated There is Sir the Railway Enquiry Committee to which reference has been made by my good friend Sardar Mangal Singh There is also a Committee which is appointed by this Government, namely, the High Power Committee This Committee will go into the overall question of retrenchment and regrouping and recasting of the railway position and this inevitably will have its bearing upon railway finance Therefore from that point of view, from the financial ethical point of view, the Government ought to have waited till these decisions were forthcoming and I do not think, Sir, it will take very long for these decisions to be known

[Mr Sasanka Sekhar Sanyal]

Then, I submit, Sir, when it comes to a question of increasing the burden of the passenger, what case has been made out for justifying these enhanced burdens upon the passengers We know the horrible and miserable conditions through which the passengers have been passing for the last few years The railway inconvenience has been the might democratic leveller First class passengers are put to enormous difficulties second class passengers are put to serious difficulties inter class passengers have no amenities and the third class passengers live in and come out of hell I am myself a habitual lower class passenger, sometimes inter-class and sometimes third class I have to travel by the higher class when I come on Government business But my experience of all the classes tells me that there is inconvenience, unnoticed and unrecorded in all the classes In most of the first class and second class compartments there is a light during the day time but the light goes off when it is evening Then there is that artificial European latrine system in the first and second class When I sit on the cushions, I feel somewhat comfortable though I feel a little unaccustomed to it But when I go into the bathroom and observe the particular set up of the latrines it reminds me that even when we are placed in comfort, we are placed in prison

Shri Sri Prakasa You do not know what to do there!

Mr Sasanka Sekhar Sanyal Coming to the inter class passenger They have neither the physical strength of the third class passenger to push their way in nor have they the attention of the railway people which is enjoyed by the first and second class passengers Between these inter class and third class people, Sir, I cannot describe the condition of these people in language, not even in my own language, not to speak of a foreign language But I shall ask the Honourable the Railway Member, for whom I have the highest respect and esteem Is he going to charge more fares on account of the footboards that are provided for these passengers? For 50 miles these daily office passengers—at least the bulk of them—take their seats on the footboards What does it mean? It is not so much a question of immediate danger It is not so much a question of inconvenience But it is so much loss of national vitality, because consider that we Indians are already a sort of nervous race Shocks, foreign domination and slavery have eaten into our nervous system and then if we have to travel on the footboard in a precarious condition all the time, thinking of the frowns we shall get from our bosses in the office the nerves get shattered And these people will be fathers of children and these are the children to come out of the worry of such nervousness Then if the biologists have to consider anything, they will come to the conclusion that our future is doomed I can give you one example in which a gentleman who was hale and hearty, on account of this critical travelling died one night of heart failure There cannot be a large number of cases but the possibility is there, and the Railway Member, if he charges more rates he must guarantee that a passenger who is charged must be given a seat inside the compartment I repeat, I am proud of this National Government But at the same time, to the extent of my pride with this Government, I owe a larger responsibility to the people outside

My friend, Mr Griffiths said that the proposed increases are modest and reasonable They may be modest concerning that the people's purchasing power has increased for a time But they are not reasonable There cannot be anything reasonable in the proposed of enhancement unless you change the conditions of travel Therefore I want to make it clear that this Government, instead of rushing through these increased rates ought to have waited till conditions improved I know that my friend will sincerely and honestly give assurances for improvement He will not indulge in the embroidery of previous assurances But I know that he has difficulties 80 per cent of the coaching has been released but congestion has not been relieved

If the remaining 20 per cent is released and made available, even then congestion will not be relieved because travelling has increased very much The struggle for existence has increased and travelling has increased and you cannot expect to go back to the pre war level of travelling You have to manufacture or import more coaches But that is a proposition for time So you cannot speak out today and say, we are making arrangements for more accommodation ' In that case why should you go headlong into this question of adding to the people s burden After all if the piper has to pay, you must give the piper the right and the credit for calling for the tune What is the tune that they will call for The railway has no tune to offer except that as my friend, Mr Choudhury, has said that when you cannot give space and you charge, it is dishonesty and this dishonesty has led to the dishonesty on the part of the travelling public Let us all take in that many travel without tickets The railways themselves are guilty because they cannot offer space Therefore this vigilance has slackened, except for poor inter class passengers like ourselves We have to purchase tickets even if we do grudge because we do not like to be exposed and put into ignominy when caught but the large bulk of the travelling public who are not troubled by the principles of correct observation and high morality, travel *en masse* without tickets Those who purchase tickets suffer and people in other compartments also suffer when there is a rush into their compartments lest the others fall and die outside, while the passengers inside have to open their compartments and accommodate them So there is a vicious circle roundabout Therefore I submit that unless the Honourable the Railway Member is in a position to give a real assurance that in the course of the next two or three months he will see that the facilities are improved and increased, he ought to stand up and say that he will consider the question of postponing these things for sometime At least as a token of concession to public opinion I would advise him to go into the question of charging higher rates to first and second class passengers and not disturbing inter and third class passengers Taking the cue from Mr Griffiths and accepting the theory that the purchasing power has increased it is the purchasing power of the richer people that has increased more than that of the poorer people Let the higher class passengers pay a little more and let the Government make people feel assured that it is a government responsive to public opinion Sir I have a few more constructive suggestions to make

Mr. Chairman The Honourable Member has only one minute more

Mr Sasanka Sekhar Sanyal I would advise Government to go into the question of introducing the system of railway conductors to look after third and inter class passengers for they need their help more than the first and second class passengers I would request the Honourable Railway Member to go into the question of providing a doctor in each long distance train I would give you an instance A young man got an attack of cholera while travelling in a train He travelled more than 50 miles vomitting and purging all the time He reached his home station and was rushed in a carriage to his home but before he reached his house he died on the way A train contains only a travelling population, sometimes bigger than the population of a whole village and there must be hospitals and doctors in the train

I would ask the Honourable the Railway Member to go into the question of removing racial discriminations on railways There should be no Indian and European refreshment rooms or dining rooms No distinction should be made between Indian and European

Shri Sri Prakasa: What about the commode?

Mr Sasanka Sekhar Sanyal: That also should be removed People must be made to realise that there is a Government with a new outlook

Mr Chairman: The Honourable Member's time is up

Mr. Sasanka Sekhar Sanyal. In conclusion I submit, as I began, this budget has created a sort of confusion in the minds of people In the bigger sphere of politics where the Congress and the Muslim League are not combining, the independence of the country is held up but where both these parties are combining, the result has been more taxation! There must be an end to this

Miss Maniben Kara (Nominated Non Official) Sir, I listened with great interest to the speech of the Honourable the Railway Member As I was listening my memory went back to the speech of Sir Edward Benthall last year That was the time when I had first entered the Assembly and on that occasion I made a speech Unfortunately I hardly find any difference between the policy which was followed in the budget of Sir Edward Benthall and the policy which has been presented to the House by the present Transport Member There is a difference no doubt to the extent that the present Transport Member has replaced the previous Member but to my utter disappointment I find that the underlying principle of the Railway Budget is the same and has not changed With the inception of the National Government it was expected that a budget with a new spirit, a new outlook and a new manner of economic planning would be placed before the country The railways are essential for the prosperity of the nation The prosperity of the trade and industry of a nation depends on the development of the transport system of the country In a country like ours where the railways do not reach the smaller towns and villages of the interior how can we expect trade and industry to prosper? It was expected of the Honourable Member that he as the representative of the National Government would bring forward a budget whereby new projects of railways will be laid, and whereby hundreds and thousands of railway workers will get employment We thought that we will not be thinking in terms of throwing out railway workers but in terms of employing more and more persons, because the aim of the Government was that the railways should reach the furthest ends of the country We expected in this budget a new kind of economic planning based on the idea of giving full employment and placing more purchasing power in the hands of the people I am extremely sorry to say that I have nothing to say in appreciative terms of the Budget presented by the Honourable the Transport Member

I also listened with great disappointment when the Railway Member talked in a pessimistic manner of the precautions he was taking against an apprehended slump, as happened in 1930 Why are we thinking in terms of meeting the slump? Why are you not thinking in terms of laying down a policy by which India would be free from slump? Since the National Government is in power for the last 6 months, why not take a bold step to reconstruct the entire society in such a way so that we can think in terms of expansion of our industries and railways so that we can give more and more employment to our people and so that our railways can reach the farthest corners of the country, thereby brightening the entire perspective before the country? We expected that of you When we find that the budget which is presented before us is essentially not in any way different from the budget which was presented by the last Government we are disappointed We are certainly disappointed I am not one of those who is opposed to taxation I believe that if you want to give social services and amenities to the public if you want to improve the efficiency of railways, certainly you will have to find finances We must also have taxation But in the present budget what do we find? We find increment in fares But correspondingly are you giving any additional facilities to the third class passengers? I would not object to increment in fares provided you gave some more facilities to the public in return for the higher taxation I do not say that taxation will be wrong in every event because I believe that unless the Government has finances we cannot expect efficiency and better

social services for the public But certainly when we were promised many comforts and facilities for third class passengers and we find that nothing has been given so far but that the third class passengers will be the biggest sufferers from the enhancement of fares, I feel disappointed I feel and rightly expect of you that when you are presenting this budget as a representative of a National Government your budget will not only be different in the sense of a few changes in the allocation of a few crores here or a few crores there but that the entire background of the Budget will be different, that railways will not be treated as a commercial concern but as an essential service for the good of the people and that they will be within the reach of the people and that they will also be used as a lever for the prosperity of the entire country

I would have expected you, Sir, to have in your budget, projects whereby you would have stated that new railway lines would be developed and that greater number of people would be employed Instead, you give us as a consolation that not many workers will be thrown out How can you expect us to be enthusiastic about a budget of this type though it is presented by a National Government?

Talking about the railway employees, we are sorry to find that even today we have not got the report of the Pay Commission, even after the workers have waited so patiently The workers had sympathy, appreciation, and praises showered upon them by your predecessor as well as from you, but we expect something in concrete Let your sympathies take some concrete form Your predecessor had also talked of the great support which the railway employees had given and the hard work which they had put in during the strenuous war-time The railway employees and the workers of this country, are entitled to all the benefits of the victory in the war They are the people who kept the wagons going, they are the people who transported the troops, they are the people who took ammunition and food to the people who were fighting on the battlefield Instead what do we find? Those workers are threatened with unemployment Those workers have still to work, as was pointed out by my Honourable friend Mr Guruswami, for long hours Here I have to make particular mention of the running staff and I hope that you will make special investigation into the condition of the running staff where they have no limitation of hours of work An engine driver, a fireman or a guard has to be on duty without any limitation of hours of work They are not guided by the same rules as the other workers are guided They are over-worked Why not you frame rules and regulations for these workers who are subjected to such strenuous work In their hands depend the lives of hundreds and thousands of people travelling in the trains So many engine drivers have approached me and told me that they have to work at times for sixteen, seventeen and sometimes as long as eighteen hours a day Imagine an engine driver who is responsible for the life of the entire train, is subjected to work for such long hours Can we not reconstruct the whole system and employ more people so that relief could be given to these over worked staff? These are the people who have worked strenuously during the last difficult days of the war In spite of that, hoping and expecting the result of the Pay Commission they have not gone on strike and acted as responsible citizens The railway employees in this country have acted in a way in which no workers of any other country would have acted They certainly deserve all the credit and gratitude

I expected the Honourable the Transport Member to have put before us such proposals which would have gladdened our hearts and which would have made us feel that there are prospects of thousands of new workers being taken over by expanding railways reaching furtherest corners in the country, thereby improving the prospects of the entire prosperity of our nation I am sorry, Sir the proposals as have been put forward in your budget cannot be appreciated by me

Mr Ahmed E H Jaffer Sir, I must congratulate my Honourable friend Dr Matthai on the able manner in which he has presented his first budget, which I hope will not be his last, and let us hope and trust that with his past experience and his command over the economic and financial problems of the country, he may be able to help us to overcome various difficulties that face us in this problem of railway administration

Sir the important feature of this railway budget, is to my mind the increase of fares What is the attitude of us today over this budget—at any rate of the two major parties in the country? As far as we are concerned, we are opposed entirely to this move, and we oppose this move tooth and nail But I am surprised to find that my friends here to my left do not regard it so seriously If this matter takes me back to that day when this original move was mooted out two years ago by the then Railway Member, the Honourable Sir Edward Benthall, I remember very well how his move was criticised and how he was abused from one part of the country to the other Ultimately Sir Edward Benthall had to drop this move Today this move comes from the Railway Member of the Interim Government, and I am sure that I am right when I say that our friends here are going to give him full support in this move which I am sure is not in the interests of the people as a whole I do hope they will have the courage and oppose it and see that this move of increase in fares is thrown out Sir, I have great regard and respect for the Railway Member for his vast experience of economic problems He is a great economist and a great financier But I must respectfully say that his logic is defective and his method of approach is absolutely wrong He assumes certain things to be obligatory I should like here first to read his reference to the Wedgewood Committee In his speech which he delivered the other day he says

"This fact was recognised by the Wedgewood Committee who recommended in 1937 that the reserve should be built up to at least 50 crores Government therefore consider it essential to provide for a contribution of not less than 5 crores in the Budget year"

Now, let us read what that report said It is said in that report clearly

"Having regard to these circumstances we recommend that all revenue balances after provision for depreciation, should be appropriated to the general reserve fund until that fund has reached a total of not less than Rs 50 crores"

It does not say that it is absolutely necessary to have 50 crores It says it should go from the revenue balances Moreover this Committee did not say that 50 crores should be built up immediately The contribution to this fund is not obligatory and moreover this should be done only when balances are available If you look up the past record of contributions to this fund, you will see that in 1924 25 it was 6 38 crores and this ultimately dwindled down In the year 1928 it was 2 58 and from 1929 onwards to the year 1931 32 for which I have figures it was nunus I personally see no reason why you should launch on this scheme of increasing fares draw money and give it to the general revenue I personally see that there is no justification whatsoever to give this amount to the general revenues This means that the Honourable Member wants to squeeze the poor consumer and the producer and pay it to the taxpayer Possibly this is in the Honourable Member's mind for in para 35 of his speech he says

3 P M

"When there is a gap between revenue and expenditure, an industrial concern would set about putting matters on a sound financial basis by endeavouring to reduce costs as far as practicable and if by this means the gap could not be covered then it would have no option but to raise the prices of its products"

If the railways make money, they must contribute by way of income tax to the general revenues, but not otherwise I do not see why the fares should [illegible] especially at a time when the Pay Commission's report

and the adjudicator's award are awaited Possibly the Honourable Member has got advanced copies of these and he may know the contents of these reports So he is going ahead Even assuming that the report is out and there is a liability, for which you wish to raise the amount, I think the Honourable Member can bring forward a supplementary demand for this purpose later We are certainly prepared to help the Honourable Member and the Government, but I want, to point out that if this is a popular Government, I can assure my Honourable friend that by this move this Government will become most unpopular

Then the Honourable Member in his speech has said that he expects this House to elect a committee to revise the Railway Convention This committee will also shortly come into being and suppose it decides to increase the contribution or reduce it, then what happens? In this connection I should like to read a passage from the report on the Railways in the Union of South Africa That report says

'The railways, ports and harbours of the Union shall be administered on business principles, due regard being had to agricultural and industrial development within the Union and promotion, by means of cheap transport, of the settlement of an agricultural and industrial population in the inland provinces of the Union

Further on it says

and that the earnings of the Railways should be so regulated as to be not more than sufficient to make the Railways self supporting"

Suppose the Railway Convention recommends a reduction, what is going to happen to the amount that is proposed to be raised by raising the fares

In para 32 of the Honourable Member's speech he says that the betterment fund is intended to defray the cost of amenities for passengers Out of 5 crores, this will not amount to more than one crore His proposals are too vague We have no objection to the increase in fares provided the money goes to the betterment fund for the convenience of passengers which we do not get today We have heard from various members of the House the great inconvenience caused to third class and Inter class passengers all over the country There is overcrowding and there are various other difficulties As I am tabling a cut motion on the subject, I would not like to take up the time of the House with that topic, but I would like to say that this amount, if it is to be raised at all, should be used for the convenience of passengers, and for the provision of retiring rooms, cloak rooms and refreshment rooms and other comforts and conveniences I would not like to dwell on the inconveniences in different parts of the country but I would like the Honourable Member to take the trouble of going to the station in New Delhi station which is said to be the station of the capital city of India and see what facilities are offered there There is no cloak room, no waiting room and no refreshment room I remember in the days of the curfew, the difficulties, people used to have when they had to sleep in the station I do hope that the Honourable Member will look into this matter and have all these inconveniences removed The Honourable Member is not justified in saying that the increase in the freight will not lead to an increase in the price of foodstuffs and piecegoods There is a good deal of black marketing in these things and the contemplated increase in fares and freights will surely lead to a rise in the prices of these two things

I notice that the Railway Board have decided to extend the electrification of the railways This is a move in the right direction and I hope that the electrification which is proposed to be started on a minimum scale will soon be extended all over the country As the Leader of the Opposition has very rightly pointed out, in view of the serious fuel situation which exists in England today, we should take steps that a similar situation does not arise here but assuming it does, the electrification of the railways will help us considerably and ease the difficult fuel situation which may arise later on

[Mr Ahmed E H Jaffer]

Repeated demands have been made for improving the system of appeals It has not received the attention it deserves It was pointed out that a person with a judicial mind should be appointed on the Railway Board and at the headquarters of each Railway administration to look after the appeals of subordinates, which at present are not being properly attended to This should not be overlooked

Lastly, I would like to refer to the position of Muslims in the railway services I am sorry to note that the persistent demand for the due Muslim recruitment has not been attended to 13 years have passed since the Government of India passed the Resolution for fixing a minimum of 25 per cent for the recruitment of Muslims, and I am sorry to note from page 25 of the Administration Report that the number of Muslims in the superior and lower gazetted service is still only 11 18 per cent and in the case of subordinates whose scales of pay are 250 per month it is only 9 09 per cent Even during the war the percentage in permanent service of 25 per cent was not observed It was only 17 7 I would very strongly press that a special officer should be appointed to watch the recruitment of Muslims and draw the attention of the Honourable Member from time to time in the matter of Muslim recruitment

Mr Frank R Anthony (Nominated Non Official) Sir, it gives me particular pleasure to welcome Dr Matthai as our new Transport Member I extend that welcome to him cordially on behalf of a large number of railway employees whom I have the privilege to represent—railway employees who carried an unprecedented burden during the war and who represent a most reliable section of the employees in the railway administration It is not necessary for me to remind the Honourable Member or to tell him that the task to which he has set his hand is one of the most if not the most arduous and difficult tasks that face the members of the National Government He is fortunate in this respect that his recent assumption of office has given him a right to expect welcoming bouquets from us I sincerely hope that during his tenure of office he will bring to bear to his task not only his well known qualities but imagination courage and, above all strength of administration I know something if not a good deal about the railway administration and unless these qualities are brought by Dr John Matthai to bear with the greatest emphasis on this administration, he may find on the next occasion when he has to meet this House that the bouquets will have to be substituted by stones I sincerely hope that this will not arise Those of us who have had something to do and some of us who have had a good deal to do with the railway administration realise with disappointment that most of our efforts to get the railway administrator and the predecessors in office of the Railway Member to accept even reasonable suggestions have failed and failed miserably It has been rather an inveterate psychology of the railway administration to resent criticism, however justified the criticism may be and also to be unresponsive to the obvious needs for change and for progress I would give some friendly advice, if I may, and even sound a note of friendly warning to the Railway Member about this psychology which his predecessors persisted in If for some reason or other he chooses not to accept the requests or the reasonable demands of the more sober elements of the railway workers if he chooses to ignore as his predecessors in office have done the friendly advice of responsible railway leaders, then I am afraid I can envisage only the most bitter unrest, sullen non-co operation and the constant threat of a partial, if not complete, paralysis of the railway administration

I know I have been regarded as a bitter critic of the railway administration, but I also know that I have had more than ample justification for my criticism in the past I would like to tell the Railway Member that he has inherited in the administration moth eaten legacies which it is his duty to attempt to

destroy And I would ask him not to approach this problem superficially The railway administration is suffering—I am not indulging in hyperbole, because I have had an unfortunate experience of it for a period of many years—from a deep-seated disease, a disease of long standing which has now become chronic, a disease which will only respond to the radical processes of the surgeon's knife Sir, not only the public but the railway workers expect from you that you will bring about a complete and a long overdue re orientation in railway policy You have spoken in your budget speech of industrial peace during the war I think you did refer to it That, Sir, is not a correct diagnosis, it was certainly not a correct description There was no industrial peace, at least so far as the railways were concerned, during the war There may have been an induced peace, a coerced peace or a peace induced by methods of coercion and also a peace which was due largely to a sense of loyalty of a large section of your employees I am sorry to say that that loyalty was abused and was exploited by the railway administration—a loyalty which made a large section of your employees put up with the most incredible hardships and difficulties, which would not have been endured by railway workers in any other country for a single day I say this to you in all sincerity You can secure, if you want them, the confidence, good will and the co-operation of the responsible elements among the railway workers, but you can secure them on one condition and on one condition only, and that is by bringing about a change in the psychology of the railway administration—a change in the psychology which is prevalent at the top of the railway administration I know it is not going to be an easy task That psychology has seeped deeply into the roots of the whole railway administration for a period of many decades Your predecessors in office have not only not attempted to change that psychology but had become assimilated to and part of it The members of the Railway Board, I am not making any distinction between Europeans and Indians as individuals may be very estimable persons, your General Managers, as individuals, may be very charming When I meet them I am almost completely disarmed But remember this, and I am talking from some knowledge because I meet hundreds and thousands of railway workers and I know what they are feeling, what they are thinking and what they are hoping, they are looking to you to bring about this long overdue change in the psychology of the railway administration These men at the top—I am not pointing a finger at any one of them—are not to blame, they are the victims of their past traditions They have been nurtured in the traditions of the company owned railways, they have been wedded to the psychology of an authoritarian system of administration And that is your greatest canker in the railway administration today and your greatest danger Unless you face it and face it successfully, I can only envisage the most serious, widespread and most complete unrest on the railways There is today I am not exaggerating it, nothing less than a deep seated class division on the railways Your working man on the railways does not regard his officers as colleagues, he does not regard them as friends, but he regards them and I say this without qualification, as masters and tyrants That is the psychology which it will be your business to change I sincerely hope that you will address yourself to this what I regard as your paramount task with tenacity and necessary courage to bring it to a successful conclusion I have had occasions to meet the employees not only in this Department but in most of the Central Departments The other departments have their limitations and they have their imperfections, but I can say without qualification that in no other department of Government are the employees treated with greater harshness and with less consideration than your railway employees

Mr Chairman The Honourable Member should address the Chair

Mr Frank R Anthony I was addressing the Member through you, Sir I said Sir that in no department of the Government of India were the em

[Mr Frank R Anthony]

ployees treated with less consideration than in the railway department There are provisions in the Indian State Railway Code, provisions alleged by relating to appeals, enquiries dismissals, and punishments Those of us who know how these provisions are implemented know how farcical these provisions are We know what a flagrant travesty of justice they represent My Honourable friend Miss Manben Kara referred to the long standing grievance of the question of overwork We have had repeatedly on the floor of the House, assurances, promises and professions that the railway administration will observe some degree of consideration with regard to hours of work I can give today to the Honourable Railway Member instances on the B N R and G I P where men are compelled under threat of immediate removal from service to work for 16 hours, 18 hours, 24 hours and even 32 hours continuously And this has been going on for years They were given the omnibus excuse of the exigencies of war But the war has long been over This has been a burning grievance The unresponsive railway administration continues to ignore this very reasonable request from railway workers After all the railways are the greatest national asset of our country I do want the Railway Member to do something to remove the grievances of these workers He can do something provided he is not completely overborne by the psychology of the official We want a certain degree of independence, a large degree of independence of outlook We do not want the Railway Member to follow the old policy of his predecessors in office of being merely a rubber stamp to endorse the decisions of the Railway Board and of General Managers, however unjust they may be We expect better things from him He has a more responsible task because he is dealing with something which I regard as highly explosive Yes, I believe that unless the Railway Member succeeds in removing this sense of resentment on the part of every railway employee, I am talking about the employees in the lower scales, this sense of feeling that they are not working but fighting against their official classes, he is heading for a most serious disaster Sir, the Railway Member sounded a note of warning that the present inflation trend would be accentuated if wages of railwaymen were increased unreasonably I am not asking him for one moment to accept or agree to unreasonable and extravagant demands of railwaymen I am against irresponsible and extravagant demands by irresponsible labour leaders I would ask him to remember this that there are responsible representatives of railway men who are asking for increases commensurate with the economic resources of this country I would ask him to remember that the railway scales prevalent today are scales which were largely brought into being during the worst periods of depression in 1931 It is not unlikely that the Central Pay Commission will recommend reasonable, yes, and liberal increases in the salaries of railway employees, liberal against the background of the present resources of the country I am certain that the Government will accept these recommendations when they are made Here, I would like to refer to the bogey which is often trotted whenever there is a demand for reasonable increase in wages It is often countered by the question as to where the money is to come from Immediately this question of increase in wages is raised this bogey is raised that it can only be met by a corresponding burden thrown on the taxpayers of the country—in the case of railways, the travelling public This is an unfortunate way of presenting the railway employees case for an increase in wages however reasonable it may be Their demand is immediately sabotaged by creating an unnecessary conflict between the worker and the travelling public We have before us a proposal for increasing fares Personally I believe that this proposal with regard to increase in fares at any rate is premature We know there is to be Railway Enquiry Committee and that committee has not yet submitted its report It may very well be that that report might cover certain economies which will mean more than a

saving to the administration of 4½ crores which you expect to realise from increase in fares More than that, there is the vexed question of contribution to the general revenues There is also this aspect and it is contended and perhaps rightly contended that the Government have grossly underestimated their anticipated revenues In my case this increase of fares is economically indefensible The Honourable Railway Member told us that the cost of living index has gone up tremendously Surely this is an argument against and not in favour of increase in fares If the cost of living index has gone up, then surely it implies that the travelling public cannot afford to pay more and in the case of railway employees

Mr Chairman The Honourable Member's time is over

Mr Frank R Anthony I am sorry Sir, that my time is up I have a lot more to say Anyhow I shall conclude I was saying surely this means that the travelling public are less in a position to undertake further burdens One other important matter to which I wished to refer was the question of increasing inefficiency of railways and the question of corruption in the railway administration Perhaps I shall have another opportunity to deal with those subject when the Cut Motions are taken up

Once again I would like to ask the Railway Member to remember that these criticisms, if they are criticisms at all, were made in a friendly spirit and I hope he will bear them in mind What we expect from the Honourable Member is to do justice to the railway employees and he will get in return the co operation of at least the sober elements among them

Maharajkumar Dr Sir Vijaya Ananda (United Provinces Landholders) Sir I rise to support Dr John Matthai's first railway budget He was handed in the baby by the previous government and I am sure that when he presents the next budget he will make 100 not out I am rather disappointed to see that third class passengers as well as the upper classes are to be made to pay a little more I should have preferred the upper class passengers to pay and not the third class passengers Year in and year out we have been discussing the problem of how to improve the lot of third class passengers I feel it is a case of water on the duck's back We are told that new third class compartments would soon be put out on exhibition and people can see them I have not seen a single compartment so far The same overcrowding the same congestion and the same trouble are the lot of third class passengers It is high time that instead of making the third class passenger pay more for his trouble we give him something from our surplus funds I see from Dr Matthai's speech that a sum of 7½ crores is to be given to the central revenues that might be diverted for the benefit of third class passengers The betterment Fund can be used only to better the amenities for the third class passengers

Sir, I find from the Honourable Member's speech that there are 384 locomotives that have already been ordered from Britain I have no grouse about it but I should like other countries to send in their quotations for these, and if these other countries can give us locomotives cheaper I see no reason why Dr Matthai should not cancel this order with Britain

Sir, indiscipline in the railways has reached the zenith There is neither order nor respect for anybody utter indifference to public opinion has been going on The excuse was that during the war nothing could be done, it was not possible to interfere, etc Now that the war is over I find that the railway staff from top to bottom are insolent disobedient and indifferent to public opinion As regards corruption the least said the better I do hope that under Dr Matthai's regime in a year's time we will see most of these defects eradicated For instance, when an Indian dressed in European clothes goes to a station and there happens to be a European there the first thing the station staff does is to give preference to the European—a thing that

[Dr Sir Vijaya Ananda]

should not be done At least now when we have got a national Government this should be a thing of the past As regards an Indian going in an achkan or in a national costume he is completely ignored and even brushed aside if there happens to be a European as against him All these are common factors I said that last year when Sir Edward Benthall was in charge but I am afraid we get very little response

As regards the third class carriages I am glad to see that from Benares we have got an inter class going from Kashi to Calcutta, and there are a limited number of berths I should like to see that type of compartment for third class passengers Although I know it is very difficult to have sleeping berths I feel at the same time that there should be a certain number of men allowed in that compartment and no more If that could be done we would be saving so many lives There is a distinct improvement as regards inter-class travel but nothing has been done about the third class,—that is my complaint

My Honourable friend Mr Chaudhury made a very good speech this morning when he mentioned the delays in the running of trains I submit that in future, in another six months when we get our locomotives from whatever country they come we should recast our time table, and that time table should be in accordance with the wear and tear of our engines, so that we shall be saved the bother of going to a station and standing there for hours on end The general way of dealing with the time-table should be that all these timings should be altered so that the least possible inconvenience is caused to people who come to the platform As regards the station staff, if you ring them up and ask them at what time a train is due or is coming, you are told it is at such and such time If you go there and report the matter to the Station Master he says I should lodge a complaint But there is no reply to that I have myself made many complaints of that kind and there has been no response

As regards theft and robbery I do not think we have ever been more badly hit than in the last one year Even the luggage vans that are sealed and sent out are broken into and very artfully too

Sir, on the whole I have a feeling that within the next one year my Honourable friend Dr Matthai will give a new orientation to the railways and that we shall have an infinitely better budget next year and I do hope that he will save the poor third class passengers from being overlooked

Mr M A F Hirtzel (Bengal European) Sir, I shall avoid repeating the points that were made by my Leader this morning And after so many speeches have been made I do not want to give an elaborate discourse of my own The point that I should like to deal with is the question of loco stock and coaching stock Broadly speaking, the figures appear satisfactory enough on paper but I notice that included with these figures of locos, coaching stock and wagons are figures of overage stock I have no doubt that the Railway Member has very much in the front of his mind the fact that overage stock is extremely uneconomical It is uneconomical in respect of the period during which repairs are being carried out because it occupies valuable capacity in the workshops and also uneconomical in respect of costs I notice that the Railway Member has referred to the pressing need for passenger express locomotives That is the most pressing need now, and I must say that the position cannot be described as very satisfactory, or rather, it is likely to remain very unsatisfactory until that need can be met and the unfortunate disparity between the existing level of passenger trains now and the pre war level can be made good At present passenger services are only 80 per cent of pre-war Of course until that percentage is made good we shall be losing the benefit of the additional passenger load, we shall also be inflicting continued

discomfort upon the passengers who are carried I do not propose to go into that now because on the cut motions a great deal more will be said about it But I should like to say that we on this side are equally anxious with other sections of the House to see that everything possible is done to remedy the defects at the earliest possible date I must say that I am a little surprised that it has not yet been possible to show us the revised designs of third class coaches, it is something like a year ago that we looked at the previous models I should have thought that further models should have been ready before this I also notice with considerable concerned that out of 347 passenger carriage vehicles which were intended to be completed this year not more than 140 are likely to be ready before the 31st March That appears to be a very serious lag, and while we appreciate the difficulties it must be recognised that all programmes will be correspondingly held up in future

Now, Sir, the growth of civil aviation has given upper class passengers an opportunity—which they have shown themselves very ready to take—of an alternative and more comfortable means of travel I do hope that the Railway Member will bring to the notice of his staff the fact that that is so and take advantage of the stimulus of competition to encourage his staff to provide greater facilities and show greater courtesy to passengers Now, Sir, as regards goods stock, the figures given in another place show that by the 31st March we shall have 20 per cent more broad gauge carrying capacity than in 1939, and 10 per cent more metre gauge Those figures are in themselves reassuring, but one is forced to enquire, since results are so poor, why the results continue to be so poor One reason has been given in another place, namely that the staff has been greatly upset by the various civil commotions which we have unfortunately experienced during these months That is a state of affairs with which we have great sympathy but we must also—and I think we should be failing in our duty if we did not—remind the House that that is part of the price that has to be paid and will continue to be paid for the failure to achieve internal peace in this country That price, I say, will continue to be paid, and the possible consequences of a breakdown a complete standstill of communications have to be viewed in the light of the fact that something like 170 million people in this country today depend on the rationing system, 170 million out of 400 million—the largest body of persons rationed in the whole world The whole success of that endeavour depends on the continued functioning of the Railways

Why are the results so poor—that is the question which we have been asking the Railway Member and which we shall continue to ask The results quite certainly are poor We are shortly to be asked to confer upon Government the necessary powers to continue the railway priority system As the House is aware from the speech that I made when the Bill was introduced, we on this side of the House do not like that system, but we are forced by recognition of the present situation to admit that the system must be continued and that Government must have those powers But the fact remains that the system or the need which necessitates continuance of that system is most unfortunate

We listened to the remarks of the Honourable Member on the labour situation with considerable appreciation, because we feel that it is very necessary that that position should be made abundantly clear to everyone in the country, and we wish him every success in putting the views which he expressed into practice All these problems—labour problems, the struggle to provide adequate rolling stock, adequate operation and so on—all of them are merely facets of the struggle to maintain the solvency and the efficiency of the Railways That is to say the Railways are still on the defensive, the Railways have been on the defensive for a very long time I do not propose in the short time available to go into the significance of that from the point of view of the propaganda that we are constantly hearing about nationalizing everything in the

[Mr M A F Hirtzel]

country I think no one has so far suggested that the legal profession should also be nationalized but it seems to have been suggested at one time or another that almost everything else should be nationalized The Railways have almost throughout their history been on the defensive The fact that they have all along been fighting this battle for efficiency and solvency does not I think greatly strengthen but rather weakens the argument for taking on further liabilities We should have most certainly liked to see the Railways not on the defensive but on the offensive, not in the sense of stealing traffic from other forms of transport but of increasing the quantum of transport in the country, and we should like to see the Honourable Member, when he has dealt with his defensive operations, launching a big offensive to increase the quantum of transport and turn the railways into a real public utility That is his immediate task to produce contented workers and contented users After that we should like to see him adopt a forward attitude and go on to devote his attention to increasing the quantum of transport in the country

We hear a great many slogans about transport co ordination, eliminating wasteful competition and so on Those who have studied the operations of the Railways fairly closely, while quite agreeing with the sentiments, sometimes wonder whether the railway department does not aim rather at the elimination of all competition whatsoever Now, Sir, the crying need of the country to day is transport, more particularly the expansion of road transport It is forgotten, indeed probably not known to many people, that road transport in 1939 was making a contribution of over 9 crores of rupees to general revenues in the form of taxation In the current financial year the Railways have made a contribution of 5½ crores So from the point of view of national advantage, road transport which is it was operating in 1939, after discounting the railways own estimate of losses through competition from it, contributed 9 crores, was making a more valuable contribution to general revenues that the railways themselves made in the current year I appealed to the Honourable Member's predecessor on a number of occasions, when he was taking these very wide powers of going to come before us to ask for very wide powers for the control of road transport, to tell us in his other capacity as Member for Transport exactly what he estimates if he is going to strangle private enterprise in road transport, will be the liability of the State in providing the necessary quantum of road transport to replace private enterprise and so to speak, adequately to mechanise the enormous road programme which the country needs I suggest that if the Railway Member in consultation with the Transport Member is unable to answer that question he should think again and try to put before us a real policy of co ordination I think it is perhaps significant that the new development of the setting up of a Central Transport Board, which is to eliminate wasteful competition, was not undertaken until it became apparent that civil aviation was making a very big inroad into railway revenues Well that may be a justification, but we should like to see the problems tackled from the positive point of view of increasing the total quantum of transport in the country And I am quite sure that if the Transport Member can only find the right policy not only for protecting the revenues of the railways but for expanding road transport, he will be working in the best interests of the Railway Member and his railways also

Chaudhri Sri Chand (Nominated Non Official) (The Honourable Member spoke in Hindustani For Hindustani text see Appendix to the Debates for the 20th February, 1947, English translation given below —*Ed of D*)

Sir, Railway fare for the third class and the fourth class that is, foot board, is proposed to be increased What do the Government or for that matter the Railway Member offer them for the fare pay? It is a kind of looting, robbery and highhandedness They neither get any seat in the carriage nor do they get any comfort They get a foot hold on the foot board after missing three or four trains For this, our learned proposes to increase the fare .

Sri Shri Prakasa. He does not understand you

Chaudhri Sri Chand. That you will do and make him understand Sir, if the passengers could get some comfort there was some justification for the increase If they provided them with seats in the train they could raise the fare When the passengers do not get seats in the trains there is no reason why the Government should increase the fare The inconvenience that one suffers in a railway journey is much greater than that of a journey on foot When I see a friend of mine worried and distressed I at once understand that he is to go on a journey by rail He fears like the patient who is being taken to the operation table, and if he is to travel by the third class in the evening train he loses his appetite for the day Very few of the villagers who happen to alight at big stations can return home with their full luggage These stations abound in pick pockets and thieves If the passenger goes to purchase his ticket leaving behind his bedding he finds on return that his bedding has disappeared If he goes with the bedding he cannot reach the booking office If a seat is found in a third class compartment you will find that it is the abode of frogs, rats, cockroaches, mosquitoes and what not Nobody knows whether these compartments are ever cleaned or not It is an actual fact that in trains from Kalka, especially during the rainy weather rats, frogs and mosquitoes are found in abundance Have the railway authorities ever taken the trouble to see if they were ever cleaned? And yet you are increasing the fare! Freight is also proposed to be increased It is an open secret that corruption is rampant there A carriage is given on an illegal payment of ranging from Rs 140 to Rs 150 Nobody even moves to stop the corruption Under the circumstances, to increase the freight and the third class fare, when they get no seat in the train, is not just Further, the third class passengers have no place on the stations to sit and wait for the train At smaller stations they have to squat on the ground and in larger sations they are told that the waiting room was locked and the key was with the station master The thing is that the waiting room is the place where the station master stores his wheat or other stolen things This is how the waiting rooms are used Congress issues large posters posing themselves as the champions of the poor but after they come in this House they come with clasp knife for these very poor people When the Interim Government was formed the people were urged to make merry and be happy because self rule was obtained From a big platform it was announced that Indians have now got their own rule Formerly when budgets were presented by the British members all our learned friends would cry themselves hoarse to condemn them Today the very congressites stand up to praise the budget presented by the Doctor Sahib and support it I am surprised that they say something outside and quite the reverse of it here If the fare was not increased what will happen? Will the railways stop? But this is an old custom The budget is prepared the Dr Sahib has presented it He has never troubled himself to see what is going on Clerks work papers are brought and signed and yet praises are being sung that the Doctor Sahib has brought out a very good budget They say that the budget is the offspring of the old Government Dr Sahib is a very wise man He should give milk to his own child why should he nourish another's child It was said here yesterday that the Doctor Sahib has produced a very good budget The learned doctor has now been here for so many days Does he know the reason why the fares increased? Does he know who pays them? Will the working of the Government stop if the fares were not increased? What is the use of keeping so much in the reserve? The fact is there is nobody to champion the cause of the poor

When these Congressites will go out they will say that their Government is not yet complete and that the fares have been increased under the orders of the Viceroy They will say that they were waiting for the full power in the Government

[Chaudhri Sri Chand]

In the last session surcharge and income-tax were decreased The prices of post cards and envelopes were reduced The poor people neither write post cards nor envelopes Every thing was done for the wealthy and not for the poor

I, therefore, appeal to the Doctor Sahib and say that in my opinion there is no need of increasing the fares They say where will they find the ten crore rupees? But the railway is for the convenience of the poor and not for increasing the income

[At this stage Mr President (The Honourable Mr G V Mavalankar) resumed the Chair]

Controls are in operation People get their necessaries of life at ration shops, but the poor are driven to buy them from the black market Controlled prices are for the rich and black market for the poor They have to spend more than they earn Now the Doctor Sahib has increased the railway fare, tomorrow something else will be increased There is no mention of income tax because all are rich here There is no poor man No income tax is levied no surcharge is going to be increased People are earning crores of rupees in contracts but nothing is being done to them I should therefore say that this increase of railway fare is sheer injustice The Government is not giving a just return for the thing it takes from the poor If you had made new carriages, had done something for the comfort of the passengers, had ordered the issue of only as many tickets as there were seats in the train you were justified in your action What is happening in these days! Some throw in their beddings, others force in their cycles especially railway servants bring their cycles with them The moment one gets into a compartment he gets hurt either in the foot or in the hand Some get good beating on getting into a railway compartment This is the condition and yet fares are being increased and congressites say it is a very good budget

Yesterday, there was a mention in the House about the release of convicted I N A men It was said that there were difficulties in the way of the Government Were there no difficulties in the way of the previous Government? Have all the difficulties cropped up on the formation of the Interim Government? I don't see what difficulty was there in releasing the I N A personnel?

I appeal with all the emphasis at my disposal that the fares for the third class should not be increased Inter class is mostly used by Railway servants They travel free When they go on transfer from one place to the other they travel with all their household effects Increase, therefore the fares for the first and second classes Double them But, you cannot do it The rich men in this House will not allow you to do it I again appeal to you not to increase the third class fare, because the people hope that the Interim Government will help them and will not increase the taxes

This is what I wanted to say and I hope that the Doctor Sahib will hear my appeal and will not increase the fares for the poor He may increase them for the rich

Mr Tamizuddin Khan (Dacca *cum* Mymensingh Muhammadan Rural) First of all I would join in the general chorus of congratulation to the Honourable the Railway Member on the unique privilege he has of being the first Indian to present the Railway Budget before this House But I must frankly confess that my congratulation ends there I am in a fix A problem has arisen in my mind to which I have not been able to find an answer I would therefore like

4 P M

to share my problem with this Honourable House I find that of the members who have till now spoken only one seems to be enamoured of the Budget and he is the Honourable the Leader of the European Group

Mr P J Griffiths: I like it

Mr Tamizuddin Khan That raises a problem in my mind What is it that makes him enamoured of the budget and what is it that makes the Indian section of the House condemn it? Is it because Mr Griffiths entertains a greater respect, esteem and love for the Interim Government than the Indian Members of the House? It is difficult to give an affirmative answer to this When the aunt professes a greater love for the child than the mother, a suspicion arises in one's mind Therefore I am trying to find out the real reason

The real reason is probably this My Honourable friend will excuse me if I am doing him any wrong The real reason seems to be that the present budget does not differ from its predessors in any respect whatsoever So far as the previous budgets are concerned they were presented, always in the history of India, by the countrymen of the Leader of the European Group and as this budget does not differ in any way from those budgets, probably my Honourable friend enjoys a secret satisfaction that however, Indians may cry hoarse over Indianisation in actual practice when Indians are put in responsible positions they cannot act any better than the Europeans who preceded them Probably that is the psychology that is working in my friend's mind and which makes him enamoured of this budget so broadly condemned by the Indian section of the House

Sir, is it to be inferred from the general condemnation of the budget that there is no outstanding feature in it? Certainly there are outstanding features and the most outstanding feature is the increase of the rates and fares I am not one of those who are opposed to increase of rates and fares in all circumstances Certainly when the situation demands rates and fares have to be increased There are certain things that are in favour of the Honourable Member, I must admit There is more money in the country at present, and people are in a better position to pay That is no doubt in his favour but every thing else is against him I do not know whether he is really doing a service to the country by increasing the rates and fares at the present juncture Many Honourable Members have said that the Interim Government raised great expectations in the minds of the people There may be, some justification for the raising of the rates and fares but the man in the street will look at the increase in this way What the previous European Members in charge of the Railway Department dared not do the Indian Member has done That will be the feeling of the man in the street There in also lies the strength of the Honourable Member, in his being an Indian Indians will certainly have more confidence in whatever he does than what a European might do But has he made proper use of the privilege he enjoys? I think not I think this action of the Honourable Member in raising the rates and fares at the present juncture will make for the unpopularity of the Interim Government to a certain extent But as I have already said, if my Honourable friend had made a good case for increase in rates and fares, the House would not have objected to it Even now the House will not throw it out The House will probably accept what he has done but with a very heavy heart But may I ask again, has he been able to make out a good case for the increase? I think he has not been able to do so

Sir, I am not a budgetary expert and so I may be wrong in my view of the situation, but if we look at the budget, I feel that the Honourable Member might very easily have avoided this step If one looks at the budget he will see that there has been an under estimate so far as the item of earnings from passenger traffic is concerned If you look at the traffic receipts for the current year, the revised estimates show an increase of as much as 29 crores over the original budget figures That being so, what is the justification for his providing under the same item 23 crores less than the revised estimates for the current year? There seems to be no apparent reason My Honourable friend Mr Griffiths has tried to give one reason He said that the income from military traffic is certainly going to dwindle further in the coming year and not only that, he has said that the competition from other means of transport, mainly motor transport, is

[Mr Tamizuddin Khan]

likely to reduce the passenger traffic income substantially in the coming year. I think, Sir, there he has made a mistake. I do not think that income from passenger traffic will decrease substantially or at all in the coming year. The Honourable the Railway Member has himself admitted that there has been a very great upsurge in passenger traffic of late years. Everyone realizes that. That being so, I do not know why he apprehends that the income from that source will fall to such an extent in the coming year.

As regards the competition of motor transport I think the Honourable Member is going to do something in that respect. There will not be that free competition that obtained before the war. Therefore how does he infer that in the coming year the income from this head will be reduced to such an extent? I think he will prove a false prophet in his estimate of the railway income on this particular head. If there has been underestimation there, one can easily see that there is no justification for the increase of rates and fares under the present circumstances.

Again, as many other members have pointed out, the present time is extremely inopportune for increase of rates and fares. What amenities are you giving to the travelling public? None whatsoever. The difficulties which they experienced during the war years are still continuing and in certain respects are continuing in an aggravated form. That being so, is it the proper time for increase of rates and fares, specially when you could have avoided it? I think that it has been a very unwise step on the part of the Government to increase rates and fares under the present circumstances. They have hardly any new plans. Have you tried to win the imagination of the people? Are there any new development plans that will appeal to the imagination of the people of this country? None whatsoever. That being so it is really distressing to find that the Government has taken this step of increasing rates and fares.

I do not like to repeat what other Honourable Members have said, but I would like to draw the attention of the Honourable the Railway Member to a matter which has not been discussed so much on the floor of this House, namely about corruption. Corruption there is in every department of Government. There is no doubt about that. And corruption there has been and there is in the Railway Department. But the pity is that there is avoidable corruption which goes on merrily in the Railway Department. I may relate my own experience in this respect sometime ago. I have had many experiences of this but I would narrate only one here. About a couple of months ago I was travelling in a railway train in a rural area. People who alighted at certain stations were giving their tickets to the ticket collector. Everytime the ticket collector was taking a ticket from a passenger he was putting his hand into his pocket. I wondered why everytime the ticket collector was taking a ticket he was putting his hand into his pocket.

An Honourable Member: Into his own pocket?

Mr Tamizuddin Khan: Yes, into his own pocket. I discovered very soon that it was not tickets that were being handed over to the ticket collector but small coins. I felt very distressed to see that being done openly and I thought I should take some steps as a Member of the Central Assembly. But a minute later I was told by a fellow passenger that the real cause was that there were no printed railway tickets in the stations and that on account of the rush of passengers it was impossible for the railway officers concerned to write out so many tickets and people, on an understanding travelled without tickets and later on gave money to the ticket collector. That in my mind lightened the offence though I do not think that exonerated the bribe-takers, and I thought that under such circumstances it was futile to do anything. Cannot a thing like that be prevented? Nowadays so many people travel without tickets. If all this could be detected, railway income could have been substantially increased. However, [illegible] I would refer to my last point.

The public is really in the dark about what is being done regarding the rail road co-ordination scheme Since that scheme was unfavourably decided upon on the floor of the House last year we have heard that the Government has taken a contrary decision, but nothing clear is before the public in this respect I am told that in the United Provinces as large a sum as Rs 60 lakhs has been spent in purchasing motor vehicles Sir, these vehicles are lying idle for the last twelve months If you want to repair them now probably several thousands or one or two lakhs of rupees will be necessary to make them fit for use Why should there be this waste of money I want to know I want to know from the Honourable the Railway Member what is exactly the policy of the present Government regarding this

Sjt N. V Gadgil (Bombay Central Division Non Muhammadan Rural) Mr President, I have heard with great attention the speeches that have been delivered today right from 11 A M up till now I have noticed that the criticism has been throughout traditional and if I depart from this I depart not because the political circumstances have changed but I depart from it because I have come to a dispassionate conclusion which I want to lay before this House I notice in the budget which has been presented by the Railway Member a happy combination of prudence and patriotism I regret to say that that prudence has been severely criticised but the patriotism has not been adequately appreciated Everyone of us who has taken part in these debates for several years has certainly done it from one point of view, namely, that we were in opposition and by no stretch of imagination there was any possibility of making our influence felt on the Government decisions or policies Now, happily for us this Government on all sides has been accepted as a representative Government I noticed that strain even in the speeches of those who are sitting on my right hand side If that is so, we must at least extend a measure of appreciation and try to understand what must have been the difficulties of the Railway Member in framing the budget as he has done

The first thing that I want to point out Mr President, to the House is this that we are under the impression that the finances of the Government of India can be divided into several compartments which must not have any relation one to another The right approach to the railway budget has been indicated by the Railway Member when he said

'Further they are almost completely nationalised and their financial stability has, therefore, a large bearing on the financial stability of the Central Revenues and consequently on the economic position of the country generally"

To those who have criticised the slight increase in the rates of passanger and goods traffic today I can assure them that on the 28th of this month they will have not a very agreeable surprise But it would be wrong to judge that budget separately just as it would be wrong to judge this budget in a different manner, altogether disconnected with the Central system of the Government of India's finances Assuming for argument's sake that the railways are a commercial concern—undoubtedly they are to some extent, how many members who have taken part in the discussion today have said a word about that very commercial aspect Every commercial enterprise has to pay something by way of income tax If that aspect is taken into consideration, it will be found that whatever contributions the Railway Budget would make to the General Budget would not represent the amount which in ordinary circumstances a commercial enterprise of that character would be called upon to pay under the cannons or under the rules of the income tax system My submission is this—if we look upon this as purely a commercial enterprise let us understand all its implications It is a commercial concern in the sense that it must be run on business lines No man who has any accquaintance with business will say that there should be no depreciation fund, that there should be no general reserve and that that there must be no betterment fund If the Railway Member has made provision for all these and if he finds that having exhausted every possible avenue of retrenchment he cannot consistently with prudence effect any more economies, he must

[Sjt N V Gadgil]

have then the liberty to increase the income from that enterprise by raising the rates, there is no option This is not a commercial enterprise in the sense that if it is running at a loss it is to be closed It is not of that character If an argument were to be advanced, as some labour representatives have done, that whatever earnings there are from the Railways, they must either go to the reduction of fares or to the payment of the labourers, that would be too tall a proposition We may not pay as railway users but if there is no contribution from the railway finances to the general finances, then we will have to pay as ordinary taxpayers more than what we are paying today

Mr President, I want to submit that every country today is faced with the same difficulty The Canada Railway Association are asking for an increase of 30 per cent That demand has been made before the Transport Tribunal in Canada Similar demand has been made by the U S A Railways for an increase of 25 per cent in the rates of passenger traffic and goods traffic Even in Britain the same demand is being voiced Now, the increase that has been effected in the budget proposals is certainly far less

Now, the criticism has been made on the lines that there are no conveniences, no amenities and yet there has been an increase in the fares for passengers and goods So far as the freight rates are concerned I would point out to the House that just as the present Government has inherited many bad legacies it has inherited a system of rate structure which is not calculated or which was never meant to be helpful to the expansion of Indian industries One criticism which has been always levelled against the rates structure was that it was so framed as to encourage the import of manufactured articles and the export of raw materials It is for the first time that you will find in this budget that a clear indication of the national government's mind is given—that the rate structure will be so evolved and so reviewed as to help the expansion of Indian industries Now, as far as the increase in passenger traffic is concerned, I agree that there is no corresponding increase in the amenities but at the same time it has got to be borne in mind that these amenities cannot be made available all too soon In this connection I want to make one suggestion to the Honourable the Railway Member He must have seen that in the course of the last ten years and particularly in the last six years there are some definite trends in the matter of trade as well as population movement in this country He must have noticed that there has been more and more urbanisation of the population The population of cities has increased and that means more suburban traffic and those who flock to the towns are not necessarily rich men They are mostly industrial workers, shop assistants and clerks I would request the Honourable the Railway Member just to consider whether he can exempt suburban passengers from the increase which he proposes Now, there is another tendency that in the course of the last six years has become evident Several industrial centres have grown up in connection with the war efforts We are not yet sure whether they will continue or whether they will cease to exist We do not know in what way and in what particular regions industrial expansion will take place Unless that is ascertained, unless that is mapped out, unless something definite is known about it it is prudent on the part of the Railway Member to estimate that the earnings will not be as great as they were last year If he has been cautious, certainly he is justified in his caution but I do not think he has been conservative either I have noticed one criticism about this budget, that the Railway Member has produced a budget which is neither dynamic nor static nor restrictive but a combination of the three, I would rather say that it is its merit If instead of going ahead recklessly he has shown caution, if instead of remaining static, he has shown signs of progress if instead of being expansive, he has shown some sense of restriction and proper restriction, I would be the last man to dub it as a wrong budget or a wrong approach to the budget I cannot agree with the general line of criticism for the reasons that I have given I do submit that

this little increase is necessary, not in the interest so much of running the railways at a profit but it is necessary in view of the general budgetary position which will be made clear on the 28th February

Reference has been made to the recommendations of the Pay Commission I happen to be one of the unfortunate members of the same It is a job which will have little appreciation and much abuse I am certain of it I do not think it a breach of confidence if I were to say generally that if those recommendations are accepted by the Government, the addition to the wage bill as far as the Railways are concerned cannot be less than 15 crores I want to know a single person who has ever accepted any increase in railway fare or any person who has ever accepted increase in any taxation That man is yet to be born Therefore this is the beginning to make the country more and more tax minded I am not a believer in low taxation I believe in high taxation because I understand that the function of the State is to find employment for every one Last year when the question of retrenchment came before this House all of us were very vociferous in insisting that not a single man should be retrenched or if he was to be retrenched an alternative employment must be found for him That alternative employment must mean money the pay bill You cannot find an alternative employment in a vacuum Therefore if you accept this proposition that the full employment of all the citizens in this country is one of the duties of the State - and it is the duty of a modern State— you must not grudge taxation and you must not every time say Let us have less and less taxation, the modern theory of finance is let us have more and more taxation I think this increase in rates is a good step in the right direction to make the people more and more tax minded I sympathise with all that has been said about the poor But the poor do not travel from Delhi to Bombay They travel short distances of 50 to 100 miles I think if a concrete suggestion is made that short distances may be exempted from the increase of fare I have no doubt the Railway Member, with his broad sympathy will consider it This is all I have to say

The Honourable Dr John Matthai (Member for Railways and Transport) Mr President, Sir I have listened with very considerable interest to the discussion which has been proceeding all day on the budget which I have had the honour to present That discussion has been most welcome to me in many directions It has been certainly a stimulating discussion, it has been in certain respects an enlightening discussion But at the same time it is a discussion, which I must confess with some regret has not led us very far in appreciation of the problems which railway administration raises not only in this country but in every country One broad impression that I gathered from the speeches that have been made by several Honourable Members is this that if in this country we are going to carry forward a very big programme, an extensive programme of nationalisation we are going to be in for very serious trouble Nationalisation of industries in any country will imply difficulties of various kinds which apparently, we have yet to size up and to appreciate This question for example, of the contribution that we make to the general revenues out of the railway receipts has been referred to by several speakers It has been a subject of controversy for many years on end It occurs to me that if instead of our railways being a nationalised undertaking, they had been run all along as a private enterprise then the revenue that the Government would get in the shape of direct taxation from private enterprise running these railways would certainly disappear If ever a large field of our industries was going to be nationalised I think I can assure the House that the problem of taxation would become unmanageable if Honourable Members persist in the ideas they have been putting forward today I have had a rough calculation of what the position would have been with regard to our own railways if during the period of the war from 1939 40 to the end of the war they had been run as private undertakings Taking income tax excess profits tax and the other forms of taxation on income, the calculation shows that the revenue that we would have got

[Dr John Matthai]

would have exceeded the amount that the railways have contributed in the form of contribution to general revenues

Sir Cowasjee Jehangir (Nominated Non Official) Has the Honourable Member included the E P T ?

The Honourable Dr John Matthai. Everything I have been severely taken to task for having in my first budget made this very unpopular proposal to raise to the extent of 6¼ per cent the passenger fares Supposing we had other nationalised undertakings and had to find revenue for the ordinary civil expenses of the country, would it be possible for us to do that unless we were prepared to introduce on a much bigger scale and in a much severe form the proposal that I have made in my budget? Take Soviet Russia, a country which we in this country are in the habit of admiring a great deal, rightly or wrongly I do not know if Honourable Members have ever cared to study the budgetary mechanism of the Soviet Government Every year, according to the financial needs of the country what is done is to vary the prices of the products manufactured in the nationalised concerns in the country It seems to me that in the case of a big nationalised undertaking like the railways in India it is certainly necessary for us to consider as Mr Gadgil very rightly pointed out, the financial position of the railways in relation to the general financial position of the country

I am not for a moment trying to argue that this practice of contribution to the general revenues from the railways should continue in precisely the same form in which it has been in existence so far The Committee which I am going to propose in the course of this session is specifically meant for going into the question of the relation between the railway revenues and the general revenues It is open to that Committee to make whatever suggestions it considers proper and necessary If that Committee comes to the conclusion that the system of general contribution should be on a different basis or should disappear altogether the House will have an opportunity of examining the whole position afresh But today, since this practice has been in existence all these years, I think it is but right that the railways should make their contribution I have not suggested contribution on an unnecessary or extravagant scale Actually, the amount that has been suggested is precisely what we had decided to give to general revenues last year It is an amount which has been fixed in consultation with the Finance Member and has been fixed on as moderate a scale as possible in relation to the possible expenditure that Government would have to meet in the coming year

A criticism which has been made more than once in the course of the discussion has been that it would not have been wise to postpone raising the fares That is a matter which I have considered and on the most careful consideration that I could give to the problem, I came to the conclusion that on the whole, taking a long view, the wisest thing for us would be to face the increase proposed I have been asked in the course of the discussion whether on the statement of receipts and expenses that we have put forward there is real justification for this increase Railways are one of those undertakings in which the bulk of the expenditure—and that is common to many other industrial undertakings—is in respect of labour and of power Sir in this country the greatest increases in the level of prices have been in those essential things which constitute the family budget of the labouring population This is partly because our control of prices has been defective After all we are working in this country with an administration which has been in the main concerned with the problems of law and order, with the negative aspects of administration When the question of control of prices became a live issue it became necessary to use this somewhat defective organisation for the difficult problem of control of prices and our prices of essential commodities have gone up higher than in other countries we can think of and with them necessarily wages have gone up Along with wages the cost of coal also has very considerably gone up I can remember

the time in some of the industries with which I have been concerned, before the war, when you could get first rate coal, at pit's mouth or somewhere about Rs 4 to Rs 5 But today you have to pay 2½ to three times that price Somebody has got to meet this cost People tell me if you are going to increase the fares, you must provide also a corresponding measure of amenities Here we are faced with an inevitable increase in costs and how on earth are we going to face it unless we are prepared to raise earning

If I am asked to provide for amenities, it is a matter which has to be considered on its own merits I have been impressed with the demand that the House has made for the provision of further amenities, particularly for our third class passengers If I may say so, respectfully the demand that this House has made from time to time for the provision of increased amenities for the lowest class passengers on our railways does a great deal of credit to the House, because there is no part of our travelling public whose interest demands more earnest and urgent attention than our third class passengers those voiceless millions whose interests would not be adequately looked into unless those who are representatives of the people are prepared to put them forward I therefore listened with the greatest appreciation to the demand that while we are increasing these fares, we should at the same time take steps to increase the amenities we provide for the lowest class passengers Actually in the estimates that we have put forward, there is not, I quite admit as much provided as we might It is a matter which I am going to have looked into At present you will notice that in the expenditure we have provided out of the betterment fund roughly a sum of about a crore for the provision of amenities for the travelling public mostly third class passengers

Mr Ahmed E H Jaffer: Why not increase it?

The Honourable Dr John Matthai That is just the point whether it would not be possible to raise the standard of amenities provided for third class passengers beyond what is indicated by the figures in the budget I am not in a position at present to give any detailed indication of the extent to which we can go but I would like the House to accept this general assurance that that is a matter which will be a subject of constant anxiety with me

Sir there has been a good deal said about the railways being public utility services My Honourable friend Dr Ziauddin Ahmad who always brings a fresh and original mind to bear upon these long standing problems took me to task for describing our railways as an industrial concern I hope he will give me credit for not having described the railways as a capitalist concern When I said it was an industrial concern, what I meant was that like all business concerns the railways should make both ends meet Railways cannot afford to go into debt Railway expenses and railway receipts must balance I did not say anything about the profit to be derived from a public utility undertaking like railways That is a matter for consideration by this House hereafter But in using the term 'industrial concern' I meant that the expenditure on railways and the revenues to be derived from railways must be properly co ordinated When I made this proposal to increase the fares by 6¼ per cent I proceeded on the basis that railways were an industrial concern to this extent and in this sense

A point that has been raised by several Honourable Members is whether we have not deliberately underestimated the earnings of railways during the budget year Sir I am by nature a conservative person I have had a fairly long working life during which I have sampled life at various points and I have found by long experience that if you err it is much better to err on the safe side The best estimate that we could make of our earnings is the estimate put forward in the budget The various factors involved have been referred to more than once There is the decline in military traffic which is inevitable It has not declined during the current year as rapidly as we had expected because demobilisation has not been proceeded quite so rapidly as once we thought

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The question is how far and how soon would the drop in military traffic be overtaken by the upsurge in civilian traffic It will be overtaken sometime It is quite likely it will be But there is bound to be a time lag and that time lag may last over the year for which we budget It is necessary that that factor should be taken fully into account There is also the question, which is by no means to be ignored of the possibility of competition from other forms of transport We are getting more and more motor vehicles into this country During the budget year that competition is certainly going to affect the earnings of railways Taking all these factors into account, we came to the conclusion that anything more than we have estimated would not be a prudent or reasonable estimate

I have been asked in the course of the debate about the suitability of our reserves the betterment fund, the reserve fund and the depreciation fund I have been in charge of this department for only a space of four weeks When Honourable Members take me to task for not having produced an entirely different order of things on our railways since I took charge I feel a bit indignant at the injustice of the criticism But I feel at the same time that it was a subtle compliment to me that should be considered possible for me in the course of four weeks to produce a contented labour population, a contented passenger population and a surplus of revenue

Coming back to this question of our reserve funds, one of the things that I observed as soon as I took charge was that the level at which reserve funds of the railways are standing today would by canons of ordinary business prudence be considered utterly inadequate I cannot imagine a sound industrial concern with a total capitalisation of 800 crores being satisfied with a reserve of the existing dimension When people tell me that I can put off paying money into reserve until the situation gets worser and worser I begin to wonder whether a State and a legislature like ours can handle a large industry on a nationalised basis It is a serious problem In the course of a few years from now—I cannot name any exact period—we are going to face difficult problems economically, not merely in this country but in other countries We shall soon reach a stage when we shall find even with all the increases that we can think of in our passenger fares that we shall not be able to put more money into reserve, and we shall have a huge national industry on our hands with little or no reserve to fall back on If you take a long term view you will appreciate that in spite of the difficulties with which we are faced today it is our duty to build up the reserves

Dr Zia Uddin Ahmad How much reserve are you contemplating to build up?

The Honourable Dr John Matthai I will give that later on, I am just now on the general principle The Railway reserve fund is a somewhat peculiar fund The objects of this reserve fund have been defined in the Resolution governing the separation convention As far as I can judge, it is a fund which is partly an equalisation fund, and partly also a general reserve The railway reserve fund is mainly intended for the purpose of strengthening the general financial position of the railways—and that is a use to which the reserve fund is generally put in all business concerns But in addition the railway reserve fund may be utilised for the purpose of reducing fares and rates It may also be utilised for the purpose of making a contribution to the general revenues The tax-payer who is the shareholder in this industry gets a dividend that way If the railway reserve fund is to be regarded not merely as a reserve fund in the ordinary sense but also as a dividend equalisation fund the size of it is even less adequate than you would think otherwise

With regard to the betterment fund I have not the slightest doubt in my mind that when my predecessors constituted the fund they took a wise step I have been asked today 'If you want to build houses for your labour and for your inferior staff, provide amenities for passengers and safety appliances for the travelling public, why can't you do it out of revenues?" The point is this If these purposes are essential purposes, that is to say, purposes for which you cannot put off expenditure under any conditions, is it not a wise, reasonable and prudent thing that you earmark a fund out of your revenues so that sufficient resources for meeting these requirements may be ensured? Providing housing for your people, providing amenities for your passengers, providing for increased safety – these are purposes which have got to be met We have been criticised for providing so large a part of the betterment fund expenditure this year on housing The actual expenditure which we contemplate from the betterment fund on housing is somewhere about 3 or 3½ crores All that is housing for workmen and for inferior staff —generally I believe clerks getting less than a hundred rupees If I am told that is an unnecessary expenditure or extravagant expenditure I must refuse to accept it I was once in charge of one of the biggest industries in this country which employs about forty thousand people The programme of housing they have for the next five years is of the order of about 1 crore of rupees every year In a big undertaking like the railways with nearly 1 million men employed for us to spend about three crores a year is to my mind not merely reasonable but is the very minimum required

Dr Zia Uddin Ahmad Why have a separate fund?

The Honourable Dr John Matthai I have explained the reason for that it is to ensure that the funds required for these essential purposes would be forthcoming as and when you want them

Sir some Honourable Members have strongly criticised the plans that we have in mind for further development There have been two lines of criticism which to my mind seem to cancel out Why do we spend so much? And why do we not spend more? As this is a question which has a very great deal of bearing on the future of our railways I want to explain what it is that we have in mind We have provided during the budget year somewhere about 58 crores, out of that we are spending about 54 crores for replacement The Advisory Planning Board over which my Honourable friend Mr Neogy presided have made some suggestions in regard to development of all kinds As regards railway development they have suggested that we should in the next few years proceed cautiously because there is a scarcity of essential materials just now and the railways therefore should not make too big a demand upon materials which are in short supply But they have made a certain qualification and that is that there should be no stinting of expenditure as far as the development of coal mines is concerned and increasing of despatches from coal mines We are laying our plans on the basis that the requirements of coal should come first, and I have no doubt that the House will agree that this is a wise course As regards the rest the line that we take is that there has been much wear and tear on the railways, so much maintenance that was overdue If the railway services are to be improved, if all the complaints that one receives from time to time are to be met adequately it is of the highest importance that all this overdue maintenance should be met in the next few years I submit therefore, that our development plan is on the whole proceeding on sound lines

I want to come to the question of amenities I made a general reference to the fact that this question of providing amenities particularly for the lower class passengers is to receive our most earnest consideration I repeat that There is one part of it to which we propose to give very early and immediate attention and that is the question of amenities for women passengers in third class coaches I want to take that matter into consideration soon The most important step that we can take in the imme-

5 P M

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diate future in regard to the welfare of third-class passengers is to relieve overcrowding That, I think, is the most obvious handicap from which third class passengers are suffering at present There are obvious difficulties, difficulties which are almost entirely beyond our control, but we will see to it that the passenger accommodation available on our trains is increased at as early a date as possible

There have been various other matters referred to My Honourable friend, Mr Tamizuddin raised the question of rail road co ordination and I think also my Honourable friend Mr Hutzel As far as Government are concerned, the position that we have taken in regard to this matter is this We believe that rail road co ordination will help to improve traffic generally by avoiding wasteful competition and by providing convenient and comfortable service The really important point from a practical aspect—to what extent are the Railways to come into these rail road schemes? The House may remember that about a year ago the Government of India announced its policy in this matter which was to the effect that there would be a tripartite arrangement that is to say the Central Government through its Railways the Provincial Governments and local road operators We have been inviting suggestions from Provincial Governments Many of them have replied and on the whole it looks as if the scheme would be on these lines Where provinces put up provincialized motor schemes there the Railways would be afforded a share which would be not less than 20 per cent of the total capitalization We have received actual proposals from three Provinces I think Bombay United Provinces, and Sind In these proposals in two cases we have 25 per cent interest and in the third case we have 38 per cent It is possible also that other schemes may come up hereafter As you will notice from the estimates that we have included in the Budget there is a provision for 151 lakhs

As far as motor transport is concerned the question of restricting the distance it might travel is still under consideration A suggestion has been made, as Honourable Members are aware that motor traffic in goods should be restricted to a distance of a hundred miles in exceptional cases it might be more the usual limit should be 100 miles Criticisms have been made to the effect that that would be undue restriction on motor traffic The case of America has often been quoted in regard to this We have had in this country recently two very distinguished road experts from America who went into this very question and examined our position in this regard I was looking into their report the other day and found the interesting statement that of all traffic by *motor trucks 85 per cent operates within a radius of 20 miles* so if we restricted goods traffic to 100 miles we should not be putting on our motor traffic an unreasonable limit There was another interesting point in this report An actual count was taken on a particular day of the motor vehicles on the big national Highways of America, which disclosed that there were only 400 motor vehicles on these long distance Highway routes on that particular day out of a total of 32 million cars in America which I think indicates that the extent to which we are trying to restrict motor traffic is not unreasonable

I am afraid I have exceeded my time limit There are many other points to which I would like to have referred

Some Honourable Members You have not

The Honourable Dr John Matthai I have been asked a number of questions in the course of the debate as to whether we are really in earnest about our economy programme All that I can say is since I have got to answer questions every other day in this House and to present a Budget to one of the most critical audiences in India once a year it is not likely that I shall fail to give all the attention that I am capable of to the economy programme of the Railways We are economizing in the matter of coal We are strengthen

ing financial control in various directions With regard to this question of financial control, I think a suggestion was made by one Honourable Member that probably that was simply a way of providing superfluous employment for more people I have looked into this question with some care in the little time that I have been in charge of this Department The real point of the arrangements we are contemplating is this At present there is not enough control that we can exercise from here in the matter of expenditure by the local administrations, for the reason that under the existing structure of demands various kinds of expenditure are put together, fixed expenditure and direct expenditure are lumped together often under the same demand, with the result that we want to determine what amount of direct expenditure is incurred in regard to a particular quantum of traffic the present structure of demands would not enable us to spot it, which is the main reason for suggesting this alteration in our demands structure But the criticism has been particularly directed to the provision that we are making in the local administrations It we want to increase and rationalise the control that we exercise from here, it stands to reason that the local administrations should be placed in possession of the best financial advice that we can give them in order that the primary work may be prepared with proper care before they come up to us It is a coordinated scheme of that kind that we are contemplating and I put it to the House that it is in the interests of the Indian railways that that scheme should be proceeded with

One of the questions in connection with this economy programme is that if we are proceeding with these economy measures, and have also all these Committees at work,—the High Power Committee, the Depreciation Committee etc —cannot we wait until these Committees have reported and the economy programme has made some progress before we increase fares? I do not want to prejudge at this stage what the verdict of these Committees is likely to be But taking as prudent a view as I can what they can achieve, I have come to the provisional conclusion that while they will be able to achieve much in the way of preventing an increase in our costs, it is not likely, it seems to me from an analysis of our actual expenditure that they will be able to provide economies on such a scale that we should be able by sheer economy in the next few months to cover the gap in our budget When I reached that conclusion it was up to me to provide that the earnings were correspondingly reached If I did not do that I would not be a true guardian of the country's interests in the matter

Various specific proposals have been made regarding improvement in local services and so on I take it that it will be possible for me in the course of the discussion on the cut motions next week to deal with these matters It is hardly necessary that I should do so here

I shall not take up more of your time I want to thank the House for the very stimulating discussion that I have had the privilege to listen to and I hope next year if I am long enough in office to present another Railway Budget that I shall not have a less stimulating debate to listen to

The Assembly then adjourned till Eleven of the Clock on Friday the 21st February 1947

LEGISLATIVE ASSEMBLY

Friday 21st February, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr President (The Honourable Mr G V Mavalankar) in the Chair

MEMBER SWORN

Mr H G Russell, O B E, M L A (Government of India Nominated Official)

STARRED QUESTIONS AND ANSWERS

(*a*) ORAL ANSWERS

OVERCROWDING ON G I P RAILWAY TRAINS FROM DELHI TO BOMBAY AND MADRAS

†429 ***Pandit Sri Krishna Dutt Paliwal** Will the Honourable Member for Railways please state

(a) if Government are aware that there is great overcrowding on the Great Indian Peninsula Railway from Delhi to Bombay and Madras,

(b) if any new train has been started between Delhi and Jhansi since the cessasion of hostilities uptil now, and

(c) if Government propose to consider the advisability of starting a new passenger train on the Great Indian Peninsula Railway between Delhi and Jhansi as soon as possible to relieve overcrowding?

The Honourable Dr John Matthai (a) Government are aware that there is overcrowding on the G I P Railway from Delhi to Bombay and Madras

(b) No Sir

(c) The provision of additional train services between Delhi and Jhansi will receive due consideration but it must be emphasized that the question of priority in restoration of trains has to be considered with due regard to the sections which require the most urgent relief and the limited amount of coaching stock and engine power available

MANUFACTURE OF TELEPHONE MACHINES AT JUBBULPORE

430 *Seth Govind Das Will the Secretary of the Communications Department please state

(a) whether it is a fact that the Government Telegraph Workshops at Jubbulpore used to manufacture a particular type of telephone machines during the War and that the manufacture of these has now been stopped,

(b) whether orders for the said machines have been placed with foreign manufacturers,

(c) whether it is a fact that a considerable part of the staff of the said workshop which was employed in the manufacture of the said machines is at present retained without work and that Government are thinking of retrenching these workers in the near future, and

(d) whether Government propose to take steps to cancel these orders with foreign manufacturers and to restart the manufacture of the said machines at Jubbulpore?

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†Answer to this question laid on the table, the questioner being absent.

Sir Harold Shoobert. (a) No The Telegraph Workshops at Jubbulpore continue to manufacture the types of telephone equipment which were manufactured during the war

(b) No

(c) Work has decreased at the Jubbulpore Workshops due to the completion of wartime orders, but the Workshops will now be undertaking the manufacture of supplies for postwar development and as far as can be foreseen it is not expected that the need for retrenchment will present itself

(d) Does not arise

Seth Govind Das Is it a fact that even now very few people who had applied for telephones have been able to get them and there is a great dearth of telephone receivers in the country? Under these circumstances will the Government see that this workshop is improved so as to increase the output of this

Sir Harold Shoobert Sir, we have in hand the improvement of all our workshops and we do wish most sincerely to be able to meet all the demands for telephones in India It is rather a slow business but I can assure the Honourable Member that Government has the matter well in hand

Seth Govind Das By what time does the Honourable Member expect that the needs of this country would be met?

Sir Harold Shoobert I am afraid that will be a matter of several years, because throughout the world the same difficulty now arises There are thousands of people even in the U S A and the United Kingdom waiting for telephones

Mr. Sasanka Sekhar Sanyal May I know whether this workshop is a temporary or permanent proposition?

Sir Harold Shoobert: As far as we know it will be a permanent workshop

Mr. Sasanka Sekhar Sanyal: What is its connection with the Calcutta workshop?

Sir Harold Shoobert: It is not manufacturing exactly the same things as the Calcutta workshop The Jubbulpore workshop was actually opened as a wartime measure partly because the Calcutta workshop was very vulnerable and partly because the Calcutta workshop was not capable of meeting all the demands But in our postwar development the demand for telephone equipment and telegraph equipment will be so great that there will be room for both these workshops

Haji Abdus Sattar Haji Ishaq Seth. With regard to the available telephones have the Government any quota system for provinces? I am asking this because the complaint is that outlying provinces like Madras get very few telephones

Sir Harold Shoobert: If the Honourable Member had happened to be in the Standing Finance Committee (I believe he is not a member) he would have found that we have a scheme for Madras City, which provides for very considerable expansion, and for which we took financial approval And as far as quotas are concerned Govern nent's policy is to try and provide telephones everywhere according to the demand We are trying to supply the full demand

Haji Abdus Sattar Haji Ishaq Seth: The Honourable Member is referring to the future policy but I am talking of the present and I must say that he has cleverly avoided answering my question whether there is a quota system and if so, whether all the provinces are being treated equally

Sir Harold Shoobert: I do not quite understand what the Honourable Member means by a quota in this case, because what we do when there is a

demand for telephones is to try and meet it For instance, as far as I can remember when our scheme materialises, it is a matter of Madras City getting about 2,000 more lines There is no question of penalising Madras or providing its needs at the expense of anybody else It is a matter of planning and obtaining our apparatus or in manufacturing it as the case may be and, I repeat, Madras is not being penalised nor do other places get their telephones at the expense of Madras

Seth Govind Das How many workshops are in India where these instruments are being manufactured?

Sir Harold Shoobert There are three Government workshops and another a company workshop, where certain items of telephone equipment are being manufactured

Shri Sri Prakasa How is it that hundreds of telephones are available overnight to equip unnecessarily the Constituent Assembly House, while people in other places are being starved for telephones?

Sir Harold Shoobert I feel that the answer to that question is that Government regards the Constituent Assembly as of primary importance

431 *Seth Govind Das Sir, In view of yesterday s debate I do not want to ask this question

Food Supplies in India

†432 *Pandit Sri Krishna Dutt Paliwal. Will the Secretary of the Department of Agriculture please state

(a) the steps Government have taken or propose to take to make India wholly self-sufficient in the matter of our food supplies,

(b) the progress made so far in this direction, and

(c) whether there is a five-year or ten-year plan for the purpose, if so, what?

Sir Pheroze Kharegat (a) and (c) The steps which are being taken and which it is proposed to enlarge and intensify are mentioned in the statement of Agriculture and Food Policy The plan for the five years 1947-52 provides for an increase of four million tons of foodgrains a year by the end of that period, towards which irrigation facilities will provide for 13 55 lakh tons from 27 44 lakh acres, land reclamation and improvement for 6 62 lakh tons from 20 43 lakh acres, seed multiplication and distribution for 8 16 lakh tons from 155 09 lakh acres and the distribution of manures and fertilizers for 11 53 lakh tons from 87 35 lakh acres In addition to helping provinces with finance and advice, it is proposed (i) to expand the Central Ground Water Organisation to construct tube wells and train men, (ii) to set up a Central Agricultural Machinery Organisation for maintaining and making available tractors and implements for land reclamation and training men in their proper use, (iii) to continue the Central Fertiliser Pool for distributing fertilisers and (iv) to improve the existing arrangements for the supply of iron and steel, coal and cement to provinces

Further increase in production in the long-term period will be secured by large irrigation works which several provinces have under construction or consideration

(b) A statement on the progress made with the grow more food campaign for the year 1945 46 has been placed in the library and similar action will be taken in due course about the progress in 1946 47

†Answer to this question laid on the table, the questioner being absent

IMPORT OF FARMING MACHINERY AND FERTILIZERS

†433 *Pandit Sri Krishna Dutt Paliwal: Will the Secretary of the Department of Agriculture please state

(a) the steps Government have taken or propose to take (i) to import and (ii) manufacture modern farming machinery and fertilisers,

(b) the success achieved upto now, and

(c) the names, value and quantity of the machinery (i) imported and (ii) manufactured?

Sir Pheroze Kharegat Sir, I will deal separately with farming machinery and fertilizers

Farming machinery —(a) Indents for tractors and tractor-drawn agricultural implements were placed in the United Kingdom and North America in 1945 An order for the manufacture within India of 1,250 additional tractor drawn agricultural implements was placed with a firm in Bombay in 1946 If the implements made in India are found satisfactory, it is proposed to arrange for the manufacture of more such implements in India It is not considered feasible to manufacture tractors in India at present

(b) and (c) Statements showing the quantities received so far and giving the required information in respect of the farm machinery indented from abroad and to be manufactured in India respectively are placed on the table The small numbers received are due mainly to the global shortage prevailing after the War, unsettled labour conditions in manufacturing countries and raw material difficulties The delivery of tractor-drawn implements which are to be manufactured in the country, is spread over the period February 1947 to April 1948

Fertilizers —(a) and (b) Fertilizers are subject to world allocation by the Fertilizer Committee of the International Emergency Food Council on whom indents are placed by each importing country A statement showing the annual allocations made to India and the local production of fertilizers year by year is placed on the table The fertilizer requirements of India for the next five years have been formulated and on its basis it is proposed, if possible, to secure the importation of 315 000 tons of fertilizers in 1947-48

The Government is establishing a factory at Sindri in Bihar to manufacture 3 50,000 tons of Sulphate of Ammonia per annum The establishment of a second factory in South India to manufacture 100,000 tons of Sulphate of Ammonia is contemplated The Sindri factory is expected to start production early in 1949 and to reach full production in the middle of 1949 A factory with an annual output of 40 000 tons of Sulphate of Ammonia has been set up at Travancore and is expected to start operating in March 1947

The production of Superphosphate has increased from nil in 1943-44 to 25 000 tons per year at present The immediate target for production proposed is 50,000 tons and the ultimate target 100 000 tons

I —Statement showing the names, value and the quantity of power operated farming machinery, indented from overseas countries

Name	Nos Ordered	Nos Received	Approximate Price
			Rs
1 Tractors	143	24	56,53,000
2 Disc Ploughs	128	Nil	1,53,600

†Answer to this question laid on the table, the questioner being absent.

	Name	Nos Ordered	Nos Received	Approximate price
3	Disc Harrows and Disc Plowing Harrows	399	94	11,17,200
4	M B Ploughs	503	23	8,04,800
5	Field Cultivators	89	Nil	62,300
6	Combined Harvestors	1	1	8,000
7	Mowers	9	Nil	5,400
8	Grain Drills	10	Nil	15,000
9	One-Way Disc Ploughs	87	5	1,04,400
10	Middle Buster	1	Nil	600
11.	Feed Grinders	10	Nil	8,000
12	Soil Pulverisers	4	Nil	2,400
13	Spike Tooth Harrow Sections	60	Nil	18,000
14	Spring Tooth Harrow Sections	3	2	15,000
15	Sub Soil Ploughs	10	Nil	20,000
16	Power Sprayers	11	Nil	9,000
17	Ditchers and Terracers	9	Nil	34,000
18	Leaning Wheel Graders	2	Nil	40,000
19	Potato Planter	1	1	400
20	Potato Digger	1	Nil	500
21	Threshers	11	Nil	22,000
				80,99,600

II —Statement showing the name value and the quantity to be manufactured in the country, of tractor drawn implements

	Name	Value	Quantity to be manufactured
1	Five furrow Mould Board Ploughs		250
2	Six furrow Disc Ploughs		250
3	One Way Ploughs		250
4	Tractor Cultivators		250
5	10 ft Double Gang Tractor Disc Harrow		250
	Total		1,250

Total Value of 1,250 Implements Rs 20 Lakhs approximately

III.—Statement showing the annual allocation made to India and the local production of fertilisers year by year

Year	Allocated quantity	Local production	
		(a) Sulphate of Ammonia	(b) Superphosphate
	Tons	Tons	Tons
July 1943 June 1944	40,000	15,000	
July 1944 June 1945	70,000	20,000	500
July 1945 June 1946	1,64,000	20,000	10,000
July 1946 June 1947	1,72,000	25,000	25,000
	10,000 (rock phosphate to be imported by private firms for the manufacture of superphosphate)		

SUPPLY OF CLOTH IN INDIA

†434 ***Pandit Sri Krishna Dutt Paliwal** Will the Honourable Member for Industries and Supplies please state

(a) whether Government intend to make India self-sufficient in respect of cloth,

(b) the steps Government have taken or propose to take in that direction,

(c) the progress made so far,

(d) whether Government intend to encourage hand spinning (*charkha*) and hand-weaving (*khadi*) for the purpose, and

(e) whether Government have or propose to have any *khadi* plan, if so, what?

The Honourable Sri C Rajagopalachari. (a) Yes, Sir, that is our aim

(b) and (c) The attention of the Honourable Member is invited to the Report of the Post-War Planning Committee (Textiles) which will be found in the library of the House Government have in pursuance of the Plan issued licences for the import of about 2 85 million spindles to expand India's textile manufacturing capacity Efforts are also being made to encourage the manufacture of spinning machinery in India One firm is already manufacturing spinning machinery on a small scale, and one or two others should shortly go into production It is expected that machinery will be received and set up for at least ten new mills during 1947

(d) and (e) In the estimate of the Government of India mill production will for some years fall short of demand, and the more handspun yarn and handloom cloth are produced and consumed, the better Many Provincial Governments are taking steps to encourage the production of *khadi* There is no advantage in the Central Government stepping into what is primarily a programme for local effort

FIXATION OF PRICE OF WHEAT

†435 ***Pandit Sri Krishna Dutt Paliwal**: (a) Will the Secretary of the Food Department be pleased to state if the Government have fixed the price of wheat for the next financial year, if so, what?

(b) Do Government propose to consider the advisability of suggesting to the Provincial Governments concerned to take into consideration the different local conditions while fixing the price of wheat and adjust them accordingly?

†Answer to this question laid on the table, the questioner being absent

Mr. K L. Panjabi. (a) The price has not yet been fixed

(b) Provincial Governments are consulted by the Government of India before prices are fixed and may be presumed to take local conditions into consideration

MANUFACTURE OF AIR CONDITIONING UNITS IN INDIA

436 *Mr C. P. Lawson. (a) Will the Honourable Member for Industries and Supplies please state what steps, if any, are being taken to promote the manufacture of air conditioning units in India?

(b) What factors render such manufacture difficult and what attempts are being made to overcome these difficulties?

(c) Are Government aware that in India there is a considerable unsatisfied demand for Air Conditioning Units for factories, offices and private accommodation which might well be met by indigenous production?

The Honourable Sri C Rajagopalachari (a) Government have made efforts to promote the manufacture of Air Conditioning Units by placing an experimental order with an engineering firm The order was placed in 1944 but the results are not yet satisfactory

(b) The design and manufacture of the component requires a high degree of technical skill which apparently is not yet available in sufficient quantity in the Indian Engineering Industry The units produced so far in response to Government's experimental order are unsatisfactory mainly on account of excessive noise and low thermal efficiency

(c) Government are aware that in India there is a considerable unsatisfied demand for Air Conditioning Units for factories, offices and private accommodation which might well be met by indigenous production if the difficulties could be overcome

Mr C. P Lawson Is it a fact, Sir, that the main component of the air conditioning machine is a compressor engine, and would it be possible to import this engine leaving the rest of the machinery to be manufactured in this country?

The Honourable Sri C Rajagopalachari That technical suggestion will be duly considered, Sir, but that is not the only difficulty

NATIONALIZATION OF INDUSTRIES IN INDIA

437 *Mr Ahmed E H Jaffer (a) Will the Honourable Member for Industries and Supplies please lay on the table of the House a statement showing the number of industries in British India which it is proposed to be nationalised at an early date?

(b) On what basis is compensation to be calculated and paid to owners of stocks, etc ?

The Honourable Sri C Rajagopalachari (a) There is no decision or concrete proposal of the nature referred to in the question

(b) Therefore does not arise

PRODUCTION OF MATCHES IN INDIA

438 *Mr Ahmed E H Jaffer (a) Will the Honourable Member for Industries and Supplies be pleased to state the precise cause of the present match famine?

(b) Is this match famine general all over India?

(c) Is it due to the special measure taken by Government to restrict distribution of the ingredients required for the manufacture of matches or is it due to a 'racket' on the part of Match Factories?

(d) Have Government increased restrictions on the import of matches into India?

(e) What steps have Government taken to increase the production of matches in order to relieve the public of much inconvenience?

The Honourable Sri C Rajagopalachari (a) The recent shortage of matches is primarily due to the fall of about nine per cent in the production of matches in November 1946 resulting from labour unrest, communal riots in centres of production and the introduction of eight hours' work a day in the factories It is probable that retailers and vendors hoarded stocks when the shortage became apparent

(b) The shortage has been felt in Rajputana States, C P and Delhi There has also been some shortage in Bihar and Bengal due to distribution difficulties arising out of riots

(c) There is no statutory control over any of the ingredients which go into the manufacture of matches Government, however, exercise informal control over the distribution of two ingredients, namely, potassium chlorate and phosphorous The shortage is not believed to be due to this as these are being made available to all match factories Nor is it due to any racket on the part of the factories

(d) No, Sir On the contrary Government have withdrawn all restrictions on the importation of matches and have included this item in the Open General Licence No VIII published in the Commerce Department Notification No 19 I T C /46, dated the 12th September 1946 Thus matches can now be imported into India freely from all sources without individual licences

(e) The production capacity of the established factories in India is quite adequate to meet the internal requirements of the country and even to leave an exportable surplus Steps have, however, been taken to reserve certain species of wood in some parts of India and the Andaman Islands exclusively for the match industry

Seth Govind Das: Just the other day when a question was answered by the Honourable Member regarding matches I wanted to know whether it is a fact that this match famine is also due to the *beedi* merchants taking a large quantity of matches from the producers themselves Have the Government made any enquiries in this respect and have they been satisfied that the match famine today is not due to that also?

The Honourable Sri C Rajagopalachari If the Honourable Member would definitely put down which *beedi* factories have taken matches from the producers directly I shall have an enquiry made

Mr Sasanka Sekhar Sanyal What is the legal or administrative sanction behind what the Honourable Member describes as informal control over the distribution of the ingredients?

The Honourable Sri C Rajagopalachari I take it that the Honourable Member is referring to potassium chlorate and phosphorus There is no statutory sanction behind the informal control but as Honourable Members know the supply of things like that depends greatly on Government help and therefore through that the distribution is sought to be manipulated equally

CULTIVATION OF VEGETABLES IN LAWNS NEAR KINGSWAY IN NEW DELHI

439 *Seth Govind Das Will the Secretary of the Department of Agriculture be pleased to state

(a) the cost of cultivation of some newly cultivated fields under the "Grow More Food Campaign" in the lawn on both the sides of the Kingsway in New Delhi

(b) the value of the produce from these fields during the last year, and

(c) whether Government propose to turn other public lawns of the city and various public gardens into such 'arable' vegetable fields in order to enhance the vegetable produce of the country?

Sir Pheroze Kharegat. (a) 55 acres were ploughed up, trenched, manured and prepared for cultivation, but only 25 3 acres were actually cultivated due to acute shortage of labour and water The total expenditure incurred was Rs 10,173, which includes Rs 3,000 for fencing and Rs 4,815 for preparing 29 7 acres of land not brought under cultivation The cost in respect of the 25 3 acres actually cultivated was Rs 2,358 *plus* the cost of the fencing

(b) The total value of the *Kharif* produce of 1946 was Rs 3,805/13/9 (Rs 3,100 being the income from maize and Rs 705/13/9 the income from vegetables grown) The value of the produce from the land during the winter of 1946-47 is not known as the land has been leased out to a contractor for a sum of Rs 2,600 as rent

(c) It is not considered feasible to grow vegetables on more such land, because of inadequate water supplies and labour shortage

Seth Govind Das May I know what is the recurring expenditure, besides the capital expenditure, on that land these days?

Sir Pheroze Kharegat In the *rabi* there is no recurring expenditure because the whole of the land has been leased out to a contractor on rent

Seth Govind Das What about the remaining land which could not be cultivated on account of less labour and inadequate water supply?

Sir Pheroze Kharegat That portion has also now been included in the area leased out to the contractor

Shri Sri Prakasa May I know whether the Grow More Food campaign consists only of this function, namely the handing over of government lands to contractors?

Sir Pheroze Kharegat No, Sir The Grow More Food campaign has many other items But in this particular case it was found that the most satisfactory way of dealing with the matter was to hand it over to a contractor because the local authorities were not able to provide the necessary labour

Sardar Mangal Singh May I know what is the rate of lease per acre?

Sir Pheroze Kharegat The total rent is Rs 2,600 for 55 acres

Shri Sri Prakasa Is water supplied free to this contractor?

Sir Pheroze Kharegat I am afraid I have no information, Sir

Shri Sri Prakasa The Honourable Member is surely aware of the fact that there are various water spouts all over the place May I know if the contractor will pay for the water that he will consume or not?

Sir Pheroze Kharegat I am afraid I must ask for notice as I have not got the information as to whether the rent includes water charges or not

Shri Sri Prakasa Will the Honourable Member take notice now and place the information before the House?

Mr President Next question

Civil Aviation in India

440. *Sardar Mangal Singh (a) Will the Secretary of the Communications Department please state whether Government have considered the question of Civil Aviation in the light of the debate which took place in this House on the 8th and 16th November, 1946 during the last Session?

(b) Whether Government propose to make a comprehensive statement on the subject setting out the programme regarding Civil Aviation, internal as well as external?

(c) Whether Government propose to lay on the table of the House a copy of the terms and conditions of contracts arrived at between Government and the Companies for operating different air lines?

(d) Will Government give names of those companies to whom the contracts for Civil Aviation have been given?

Sir Harold Shoobert (a) The Honourable Member is, I presume, referring to the question of nationalisation of air transport After the debate in the House the question was discussed at the Civil Aviation Conference which was held on the 1st February 1947 consisting of representatives of the Government of India, Provincial Governments, the Indian States, the Central Legislature, Air Transport operators and the Chambers of Commerce The views put forward during the debate in the House and at the Conference are now under the consideration of Government and I hope it will be possible for a decision on the question to be reached at an early date

(b) I regret I shall not be in a position to make a statement on the subject until Government have taken a decision Copies of Government's programme of development of civil aviation are in the Library of the House

(c) There are at present no agreements between Government and air companies for operating air services

(d) It is presumed that the Honourable Member is referring to the companies to whom licences have been granted for the operation of air transport services The Air Transport Licensing Board have so far issued only provisional licences and I lay on the table a statement giving details of those licences

List of the Provisional Licences Granted by the Air Transport Licensing Board *vide* Reply to Part (d) of the Question.

Serial No	Applicant	Route	Licence No	Frequency	Remarks
1	Air India, Ltd , Bombay House, Bruce St., Bombay	Bombay Ahmedabad Delhi	1 of 1946	14 services a week	Rule 147
2	Do	Karachi Ahmedabad Bombay Hyderabad Madras Colombo	2 of 1946	Karachi to Bombay 14 services a week Bombay to Colombo 7 services a week	"
3	Do	Bombay-Nagpur Calcutta	3 of 1946	7 services a week	"
4	Indian National Airways Ltd., Scindia House, New Delhi	Lahore-Bikaner Jodhpur Ahmedabad	8 of 1946	2 services a week	"
5	Do	Delhi-Lucknow	9 of 1946	7 services a week	"
6	Do	Delhi-Jodhpur Karachi	10 of 1946	7 services a week	"
7	Do	Calcutta Allahabad Cawnpore-Delhi Lahore Rawalpindi Peshawar	11 of 1946	Calcutta to Delhi 14 services a week Delhi to Lahore 5 services a week Lahore to Peshawar 3 services a week	"
8	Do	Karachi Quetta Lahore	12 of 1946	2 services a week	Rule 146
9	Deccan Airways, Ltd , Begumpet Airport, Begumpet (Deccan)	Delhi Bhopal Nagpur Hyderabad Madras	4 of 1946	7 services a week	"
10	Do	Hyderabad Banglore	5 of 1946	2 services a week	Rule 1946

Serial No	Applicant	Route	Licence No	Frequency	Remarks
11	Air Services of India, Ltd, Scindia House, Dougall Road, Bombay	Bombay Jamnagar Bhuj Karachi	6 of 1946	7 services a week	Rule 147
12	Do	Bombay Bhopal Cawnpore Lucknow	7 of 1946	6 services a week	,,
13	Do	Porbandar Jamnagar-Ahmedabad	13 of 1946	Porbandar to Jamnagar 3 services a week, Jamnagar to Ahmedabad 2 services a week	Rule 146
14	Mistri Airways, Ltd, Wavell House, Ballard Estate Bombay	Bombay Nagpur Calcutta	14 of 1946	3 services a week	,,
15	Air Services of India, Ltd, Scindia House, Dougall Road, Bombay	Bombay Bhavnagar	15 of 1946	3 services a week	,,
16	Air India Ltd, Bombay	Madras Bangalore-Cochin Trivandrum	1 of 1947	3 services a week	,,
17	Ambica Air Lines, Bombay	Bombay Baroda Ahmedabad	2 of 1947	2 services a week	,,
18	Deccan Airways, Ltd, Bagumpet Airport, Begumpet (Deccan)	Hyderabad Bombay	3 of 1947	7 services a week	,,

Sardar Mangal Singh. May I know if it will be possible for the Honourable Member to make that statement before the Budget is discussed in this House?

Sir Harold Shoobert I have already said 'as soon as possible'

SANCTION FOR TEXTILE MILLS IN MADRAS

441. *Sardar Mangal Singh. (a) Will the Honourable Member for Industries and Supplies please state whether it is a fact that the Madras Government have not given sanction to put up textile mills allotted to that province?

(b) How has, the quota of 325,000 spindles allotted to Madras, been dealt with by the Government of India, whether the same will be redistributed to the other Provinces and States, or whether the Madras Government is likely to reconsider the matter and utilise the quota allotted to it?

The Honourable Sri C Rajagopalachari (a) and (b) The Madras Government informed the Government of India that they proposed to surrender the quota of spindles allotted to them under the Textile Expansion Plan The Government of India informed the Madras Government in reply that in view of commitments involved they could not see their way to cancelling licences for spindles already issued to the applicants Redistribution of the Madras Government's quota to other Provinces and States does not therefore arise

Sardar Mangal Singh May I take it that these textile mills will be opened in spite of the decision of the Provincial Government?

The Honourable Sri C Rajagopalachari Whether they will open or not depends on their own intentions The Government here cannot answer that question

Sardar Mangal Singh Will the Government help them to import the necessary machinery? That is the whole point?

The Honourable Sri C Rajagopalachari The Government of India have allowed them to import the machinery They gave them the license and the Government of Madras seem to be against it but we do not know exactly how the position stands from time to time

Haji Abdus Sattar Haji Ishaq Seth Have all the spindles allotted to Madras been taken up?

The Honourable Sri C Rajagopalachari Practically all

Shri Sri Prakasa Will the Government of India help these contractors with their troops in order to enable them to open the factories despite the opposition of the Madras Government?

Mr President That question is not permissible

Shri Sri Prakasa How do the Government intend to enforce their decision?

Mr President That will be a different question altogether The Honourable Member wanted the help of troops

Shri Sri Prakasa All Government is based on force

Mr. President Order, order Next question

PURCHASE OF PADDY AND RICE IN BURMA

†**442 *Sri T A. Ramalingam Chettiar** (a) Will the Secretary of the Food Department be pleased to state the arrangements made for the purchase of paddy and rice and other foodstuffs in Burma

(b) at what price are these purchases made and who fixes the prices,

(c) what is the profit added either in Burma or in India on the purchase price to meet administrative charges or as trade profit, and

(d) what is the net financial result of the transactions for purchase of foodstuffs in Burma and sale in India?

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†Answer to this question laid on the table, the questioner being absent.

Mr. K L. Panjabi. (a) The whole of the exportable paddy and rice surplus from Burma is bought by the Ministry of Food of the United Kingdom and is held at the disposal of the International Emergency Food Council for allocation The supply of rice or paddy allocated to India by the International Emergency Food Council is arranged for by His Majesty s Government About 5,000 tons of maize was also imported from Burma on the basis of a Government to Government transaction

(b) and (c) A statement giving the prices of foodgrains imported from Burma is laid on the table of the House

Rice and paddy prices during 1946 were fixed by H M G and were made up of the internal price of paddy in Burma, normal milling and transport charges, and an element to cover Agricultural loans, acreage subsidy, repair of mills and other measures to rehabilitate Burma's economy, *plus* 15 per cent profit for the Government of Burma Prices for the current year have been fixed by His Majesty's Government in consultation with the Government of Burma on the basis of their procurement price to which an element has been added on account of rehabilitation contribution The Government of India have protested against this addition but owing to world shortage of rice have no alternative but to accept the prices fixed by the Government of Burma

No profit is added in India to the prices charged by the Burma Government On the contrary the sale of Burma rice is subsidised by the Government of India to enable it to be sold at the existing internal prices

(d) The subsidy on the sale of Burma rice and maize during 1946 is estimated to be Rs 4 37 crores During 1947 on an estimated import of 600,000 tons rice the subsidy is likely to be 18 6 crores

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Statement showing the prices of foodgrains imported from Burma

Rice

(i) Shipped prior to 1st April 1946

Old Rice	£ 17/17 per ton f o b, Burma ports
Good Quality Paddy	£ 19 „ „ „ „ „
Poor „ „	£ 4/15 „ „ „ „ „

(ii) Shipped after 1st April 1946

Old rice	£ 20/7/6 per ton f o b Burma ports
New rice	£ 28 „ „ „ „ „
Maize	Rs 210/ per ton f o b Rangoon

Prices for 1947 crop

White rice	£ 33/6/8 per ton f o b
Milchar boiled	£ 34/6/8 „ „ „
Broken rice	£ 21 „ „ „
Paddy	£ 21 „ „ „

STATEMENT *re* INDIA BEING SELF SUPPORTING IN THE MATTER OF FOOD AT THE UNITED NATIONS EDUCATIONAL, SCIENTIFIC AND CULTURAL ORGANIZATION, PARIS

443 ***Mr. Ahmed E H Jaffer** (a) Will the Secretary of the Department of Agriculture please state whether the statement made by India's Chief Delegate at the United Nations Educational, Scientific and Cultural Organisation in Paris that India will be able to be fully self-supporting as regards food in 10 years time and will further be able to export foodstuffs to other countries represents the view of Government?

(b) Have Government any plans on hand to implement the above statement?

(c) Are Government aware of the statement made on the same occasion that every person in India will receive food amounting to 3,000 calories per head as against the present starvation diet of 1,500 calories?

(d) Are Government aware that according to food experts raising the number of calories to the above extent to each person would mean that 115 million would die of starvation?

Sir Pheroze Kharegat (a) The Government of India have no information about any such statement by any of India s delegates to the United Nations Educational, Scientific and Cultural Organisation One delegate (not the Chief Delegate) is, however, reported to have said that "it was hoped that malnutrition in India would disappear within ten years' The Government share this hope

(b) Every effort is being made to grow more food in India so as to make India self-supporting as regards food in as short a time as may be found possible

(c) No such statement was made What was stated was that "the number of calories desirable was 3,000 while the average Indian received only 1,750 calories"

(d) No, Sir The raising of the number of calories consumed per head will not cause death by starvation

Mr. Ahmed E H. Jaffer With reference to the reply to part (d), is it not true that production and supplies being what they are today, if the ration were raised to 3,000 calories there would be no food for 115 millions?

Sir Pheroze Kharegat: That is theoretical It is possible that if some people get too much others will get too little

IMPORT OF FOODSTUFFS IN INDIA

444. *Mr Ahmed E H. Jaffer: (a) Will the Secretary of the Food Department please state if it is a fact that famine in India has now been averted?

(b) Do Government propose to lay on the table of the House a statement showing the amount of cereals imported from abroad during the year 1946 from the 1st January, 1946 to the 31st December, 1946?

(c) What stocks are held in reserve against an emergency?

(d) What is the approximate cost of foodstuffs imported during 1946, and the amount spent by Government on subsidies to agriculture to stabilise prices?

Mr. K. L Panjabi: (a) The Honourable Member's attention is invited to the Memorandum on the food position circulated to the Members of the House It has been stated therein that the rice deficiency will continue throughout 1947 As regards other foodgrains the prospects of the *rabi* crop are still indeterminate In fact, news has been received of damage to the wheat crop in Central India, Bombay, Hyderabad and Central Provinces owing to recent heavy rains A period of severe austerity appears to be in sight Every effort however is being made to secure maximum imports of foodgrains from abroad

(b) A statement is laid on the table of the House

(c) Owing to lean crops and insufficient imports of foodgrains, it has not been possible for the Government of India to build up central reserves

(d) The approximate cost of foodstuffs imported in 1946 is Rs 77 43 crores In respect of these the Central Government agreed to charge to the Provincial Governments such prices as would enable them to maintain the existing prices to the consumers The cost involved in such subsidies was about 15½ crores in 1946 During the period from the 1st April 1946 to the 15th January 1947 the Central Government sanctioned grants totalling Rs 4,74,32,128 to the Provincial Governments out of the Grow More Food Fund

Imported Food Grains Received During 1946

Food grains	Australia	U S A	Canada	Turkey	U K	Burma	Indonesia	Brazil	Siam	Saigon	Argentine	Egypt	Iraq	Abyssenia	Total
Wheat	884,911	490,260	293,480	14,512											1,183,163
Flour	134,294	23,624			4,000										161,918
Rice						227,638	29,108	39 192	25 700	3,890					325,528
Maize		95,422				5,230					205,195				305,847
Barley	1,050			61,538								6,866	62,292		131,746
Millets	1,100										16,955	39,752	2,170	1,816	61,793
Milo		55,558										...			55,558
Oats			24,453												24,453
Grand Total	521,355	664,864	317,933	76,050	4,000	232,868	29,108	39,192	25,700	3 890	222,150	46,618	64,462	1,816	2,250,006

Mr P B. Gole What is the allotment for C P and Berar so far as wheat is concerned?

Mr K. L Panjabi I have not got the information on hand at the moment I will supply it to the Honourable Member

Mr P B Gole. May I know whether the *rabi* crops in C P and Berar has been totally destroyed?

Mr K L Panjabi I have already said that news has been received of heavy damage to the wheat crop in the Central Provinces

Mr P B. Gole I want to know whether any arrangement has been made for the allotment of wheat to C P

Mr K L Panjabi The matter will be considered

Sri V C Vellingiri Gounder What is the subsidy granted to Madras in 1946?

Mr K L Panjabi I have not got the figures by provinces

Sardar Mangal Singh May I know whether any portion of the loss incurred in the supply of foodgrains will be borne by the Provinces or the whole thing will be borne by the Centre?

Mr K L Panjabi I have already said that the prices recovered from the Provincial Governments are such as to enable them to maintain the existing price level, as grains are imported at higher price, the difference is borne by the Government of India

Mr Tamizuddin Khan May I know if any loss was incurred by the Central Government in 1946 and if so how much?

Mr K. L. Panjabi I have already mentioned that the cost involved in such subsidies was about 15½ crores during the last year

Sri V C Vellingiri Gounder May I know whether the Government of India objected to the grant of subsidy by the Provincial Governments?

Mr K L Panjabi No Sir Our information is that the Provincial Governments subsidised the sale of grains procured from other provinces with the same object, that is to maintain the existing price level

RECONSTRUCTION OF G I P RAILWAY STATION AT JUBBULPORE

445 *Seth Govind Das Will the Honourable the Railway Member be pleased to state

(a) whether there is a proposal to reconstruct the Great Indian Peninsula Railway station at Jubbulpore,

(b) if so the amount that has been sanctioned for this purpose and

(c) whether the contract for reconstruction has already been given and if so the name and address of the firm to which it has been given?

The Honourable Dr John Matthai (a) Yes the provision of a new station at Jubbulpore has been included as one of the items in the post war programme of the G I P Railway

(b) The work proposed is expected to cost about Rs 12 lakhs and is programmed for 1948-49 It has not yet been sanctioned

(c) No

ALLOTMENT OF TEXTILE MILLS TO PROVINCES AND STATES

446 *Sardar Mangal Singh Will the Honourable Member for Industries and Supplies please state

(a) whether all the proposed textile mills allotted to different Provinces and States have actually been allotted to the industry, or whether some of them still remain unallotted if so how many and in what Provinces and States and

(b) whether Government propose to cancel the quota of spindles of the defaulting Provinces and States and redistribute the same to such other Provinces and States as have utilised theirs?

The Honourable Sri C. Rajagopalachari. (a) The quotas allocated to Provinces and States have all been distributed to industrialists in the relevant areas, and nothing remains for distribution

(b) Does not arise

Sardar Mangal Singh May I know whether the Government of India is satisfied that this distribution has been fair and there have been no cases of undue favouritism and jobbery?

Mr President That will be a matter of opinion, I am afraid

Sardar Mangal Singh I am asking whether the Government of India have satisfied themselves that the distribution of this quota has been fair and there has been no complaint about its distribution?

The Honourable Sri C Rajagopalachari. The Government of India have in all cases followed the recommendations of the provinces and they are not in a position to discover any better method of distribution than accepting the recommendations of the Provincial Governments

GERMAN PLANT FOR MANUFACTURE OF AGRICULTURAL MACHINERY

447 *Sardar Mangal Singh: Will the Secretary of the Agriculture Department please state

(a) whether any plant for the manufacture of Agricultural machinery and tools have been brought from Germany into India recently, and

(b) if so, when it will be installed and when it is expected to commence operations?

Sir Pheroze Kharegat (a) Government have no information about any such plant

(b) Does not arise

SHORTAGE OF TICKETS ON BENGAL AND ASSAM AND E I RAILWAYS

448 *Mr Sasanka Sekhar Sanyal Will the Honourable the Railway Member be pleased to state

(a) the reasons for shortage of tickets and blank forms in stations on the Bengal and Assam Railway and the East Indian Railway,

(b) whether Government are aware that in many cases tickets are issued for stations nearer than those where the passengers intend to go and that thereby the Railway is put to loss of fare and that passengers are also harassed, and

(c) whether Government propose to remedy the above, if so, when and how?

The Honourable Dr John Matthai (a) The shortage of tickets and blank forms on the B A and E I Railways is due to the following causes (i) enhanced demands from stations on account of the heavy increase in passenger traffic whereby all spare capacity existing in the Printing Presses of the Railways concerned has been entirely absorbed, (ii) the scarcity of ticket boards and paper in the country for the printing of tickets and blank forms, (iii) difficulties in the replacement of the existing worn out Printing Machines in the Railway Presses and in obtaining spare parts in the past due to war conditions and the inevitable time lag in obtaining this equipment at the present time, and (iv) the strike of the workers of the E I Railway Press (where tickets for the B A Railway are also printed) in October 1945 and the 'GO SLOW' tactics adopted by the staff thereafter

(b) Instances of the issue of tickets for lesser distance stations than those to which passengers intend to travel are infrequent but in such cases the passengers concerned are requested to have their tickets extended up to their destination by the Ticket Checking Staff on the train While inconvenience to passengers on this account is inevitable and is much regretted Government cannot accept that the methods

adopted by the Railway Administrations to combat the shortage of tickets and blank forms in order to enable passengers to perform journeys has caused harassment to them As regards the loss of fares to Railways, this can arise when passengers fail to get their tickets extended *en route* by the Ticket Checking Staff, in trains and at stations or the staff concerned are unable to detect them

(c) All possible steps are being taken by Government to remedy the situation and these include the following (i) introduction on local sections of a few Railways of tickets of half the usual size, two of which can be printed on one card in one operation thus increasing the output of Railway Printing Presses, cent per cent , (ii) the ordering of additional Ticket Printing Machines from U K for Railway Presses, (iii) the ordering of a large supply of blank tickets from indigenous sources which will not only cover both Railways' requirements in 1947 48 but also for the balance outstanding for 1946 47, and (iv) ordering of 60 million printed tickets from the U K for the E I Railway at the rate of five million per month

All these arrangements will, it is considered, materially ease the situation in the future

Shri Sri Prakasa Is the Honourable Member aware that on the E I Railway the booking clerks give a joint pass for 40 passengers who are unknown to each other and who plan to be travelling to the same destination and that these passengers get separated in the various compartments and some are left behind with the result that they suffer a great deal of inconvenience and even harassment afterwards? If so, what steps the Honourable Member intends to take to obviate this evil?

The Honourable Dr John Matthai Irregularities of that kind could possibly have happened, but I think the steps that Government have taken now will considerably ease the situation

Mr K C Neogy Is the Honourable Member satisfied that the shortage of tickets has not resulted in any appreciable loss to the two Railways?

The Honourable Dr John Matthai There has been a certain loss of fares, but it was not considerable as far as I know

Mr K C Neogy Is the Honourable Member in a position to give an approximate idea of the loss thus incurred so far?

The Honourable Dr John Matthai I will have it examined and if I can make an estimate, I will give it to the Honourable Member

Mr Sasanka Sekhar Sanyal Is the Honourable Member aware that by far the large bulk of the travelling public being illiterate they cannot read the tickets and find out what they have been charged for their destination by the booking clerks? They are often given tickets for a lesser distance and they have to pay at the destination when they reach there the difference between the station mentioned in the ticket and the station of their destination

The Honourable Dr John Matthai I must admit that that is a possibility but it is one of those things which we hope to surmount by the arrangements that we are proposing now

Mr Sasanka Sekhar Sanyal Will the Honourable Member consider the desirability of having somebody at the counter to see that malpractices do not happen?

The Honourable Dr. John Matthai I will have the question examined

Mr Hafiz M Ghazanfarulla Have the railway authorities made an effort to inquire from the printing presses in India whether these tickets can be printed here or whether they placed an order in the U K without making such inquiry?

The Honourable Dr John Matthai My information is that the printing presses as a whole are fully booked at present

SUPERSESSION OF N W RAILWAY GUARDS IN KARACHI

449 *Seth Sukhdev (a) Will the Honourable Member for Railways be pleased to state if he has received a telegram from senior railway guards, North Western Railway, Karachi relating to their supersession, which is published in the combined issue of the Railway Herald of Karachi, dated the 14th and 21st October 1946? If so, what action was taken in the matter?

(b) Are Government aware that the selection referred to in the telegram has caused much resentment? What steps are proposed to be taken to restore confidence of the employees in such selections?

(c) What is the necessity of a formal selection in the case of candidates who have already passed qualifying examinations and have gained satisfactory practical experience in officiating posts?

(d) Do Government propose to stop such further selection? If not, why not?

The Honourable Dr John Matthai (a) Yes but as it related to a matter which was entirely within the competence of the General Manager, N W Railway, it was forwarded to him for disposal

(b) Government are informed that apart from the telegram referred to in part (a) of the question which is obviously from those who have not been successful in the Selection no other complaint expressing resentment against the Selection has been received by the Railway Administration Government do not agree that there is a general lack of confidence in such selections and accordingly do not consider that any action is called for

(c) It is not merely the success at the qualifying examination which is the deciding factor of an employee's promotion to the posts referred to in the telegram mentioned in part (a) but other factors such as personality, self confidence, alertness, initiative and power to control have also to be taken into consideration It is therefore highly desirable to fill these posts by a process of selection Moreover these posts form the avenues of promotion eventually to higher and more responsible posts such as Station Superintendents and Transportation Inspectors, and it is necessary that the selection of men is done with due care

(d) In view of the position explained in the reply to parts (b) and (c) above, Government do not propose to stop further selections

NON-PRIORITY AIR PASSAGES TO U K FOR CIVILIANS

450 *Mr C P Lawson (a) Will the Secretary of the Communications Department be pleased to state how many non priority Air Passages to the United Kingdom will be available for civilian booking from January 1947, onwards?

(b) How many priority Air Passages are being retained and for what purposes?

(c) Whether it is a fact that air priorities are being granted to military and other officers to attend courses or other duties in the United Kingdom when sea passages would meet the need?

(d) Whether Government would recognise urgent commercial and industrial needs on the same degree as Government traffic now that the war is over?

(e) Whether Government now propose to remove Air Priority control completely?

Sir Harold Shoobert (a) As from 1st January 1947, a considerable proportion of the seats on westbound air services from India to the United Kingdom operated by the British Overseas Airways Corporation, has been released from priority control and is held by the operating company for booking through the normal commercial agencies The number of such seats available during January and February is estimated to be approximately 200 each month From March onwards their number will continue to increase steadily

(b) As from January 1st, 1947, 300 seats a month have been retained under priority control for essential Government traffic comprising Government officials travelling on duty and non official civilians travelling on Government business Priorities for the Armed Forces have similarly been restricted to essential traffic only

(c) No

(d) It is a question of opinion

(e) The question is under constant review by Government Priority control will be removed completely as soon as adequate capacity becomes available on all routes which will permit important passengers who are required to travel at short notice being accommodated without delay

Mr C P Lawson With reference to the Honourable Member's reply to part (a) of the question is it the case of Government that so long after the end of the war the ratio of necessity for air travel between officials and non officials is in the ratio of 3 2 in favour of officials?

Sir Harold Shoobert I have already said in reply to a similar question that it is a matter of opinion

Shri Mohanlal Saksena Is the ratio a matter of opinion?

Sir Harold Shoobert Precisely the ratio of necessity

INDIANS AS GENERAL MANAGERS OF RAILWAYS

451 *Sri R Venkatasubba Reddiar Will the Honourable Member for Railways be pleased to state

(a) if all the vacancies in the posts of General Managers have been filled up by Indians in the year 1946 47 and

(b) if not, why?

The Honourable Dr John Matthai (a) The reply is in the negative

(b) As the claims of non Indian officers already in service and eligible for promotion to higher posts cannot be overlooked all the posts in question were not filled by Indians

Sri R Venkatasubba Reddiar How many Indians have been appointed?

The Honourable Dr John Matthai There were five vacancies in 1946 47 Three Indians were appointed

Shri Sri Prakasa Have Government assured themselves that these posts are necessary?

The Honourable Dr John Matthai Obviously Sir

Shri Sri Prakasa What is obvious to the Honourable Member is not obvious to me

RESERVATION OF BERTHS BY MEMBERS OF THE CONSTITUENT ASSEMBLY TO MADRAS BY GRAND TRUNK EXPRESS

452 *Sri R Venkatasubba Reddiar Will the Honourable Member for Railways please state

(a) whether Government are aware of the fact that eight members of the Constituent Assembly reserved berths by the Grand Trunk Express leaving Delhi on the 24th December 1946 and that all the eight were put in a four berth compartment and eventually had to go in the same compartment and

(b) if so whether Government propose to enquire into the matter and take suitable action against those responsible for it?

The Honourable Dr John Matthai (a) Enquiries show that the mistake which led to the unfortunate occurrence referred to by the Honourable Member was made by a Travel Agency in New Delhi This Agency booked the accommodation

in two parties of three but subsequently cancelled the reservation for one of the parties in error

The mistake was not discovered until a short time before departure of the train when it was not possible to arrange additional accommodation There was no alternative therefore but to accommodate all six passengers in one compartment together with two other passengers who had also reserved accommodation

(b) The matter was reported by the Railway Administration to the Travel Agency concerned, who have replied that suitable disciplinary action has been taken by them against the staff at fault

Mr Ahmed E H Jaffer Was any refund given to the other four persons for having been put in a compartment which was meant only for four, but where actually eight people were put?

The Honourable Dr John Matthai Not, so far as I know

Mr Ahmed E H Jaffer Will the Honourable Member consider the question of giving refund?

The Honourable Dr John Matthai No, Sir

Sri R Venkatasubba Reddiar Will the Government consider the advisability of cancelling the agency of those who were responsible for this muddle?

The Honourable Dr John Matthai The matter is not of sufficient importance for such a drastic step

IMPORT OF RICE FROM INDONESIA

†**453 *Shri D P Karmarkar** Will the Secretary of the Food Department be pleased to state

(a) the quantity of rice imported from Indonesia from the last April, 1946 to the 31st December 1946 and at what rate,

(b) whether Government propose to import rice from Indonesia during the next year and if so what is the quantity anticipated to be imported, and

(c) whether Government have had consultations with the Indonesian Government in this matter and with what result?

Mr K L Panjabi (a) The total quantity of paddy shipped from Indonesia up to the 31st December 1946, is 48,979 tons at the rate of Rs 10 13 4 per hundred kilos or about Rs 4 0 8 per maund f o b Indonesian ports

(b) and (c) The Indonesian Republic has offered to supply 645,000 tons of paddy the balance of the quantity to be delivered under the agreement, provided the paddy crop during 1947 is normal The Government of India have accepted this offer and are making necessary arrangements The north eastern monsoon in Java is fairly regular and unless it fails, it is hoped to import the entire quantity to be supplied by the Indonesians

SUPPLY OF UNIFORMS AND PANTS TO GUNNERS, ETC, IN RAILWAY YARD, HOWRAH

454 *Mr Nagendranath Mukhopadhyay: (a) Will the Honourable Member for Railways please state why the Gunners of the Howrah Passenger Yard and other stations on the East Indian Railway are not getting pants and why the carriage and wagon staff of Howrah Goods and passenger yard and yards of other stations of that railway are not getting uniforms?

(b) Do Government propose to consider the question of providing pants to the Gunners and uniforms to the carriage and wagon staff of the East Indian Railway who are doing duty in the railway yard?

The Honourable Dr John Matthai: (a) The supply of uniforms or separate items of uniform to railway staff is governed by Dress Regulations which the

†Answer to this question laid on the table, the questioner being absent

General Manager of each Indian Government Railway is competent to frame The duties which the staff have to perform, the climatic conditions of each locality, etc , are taken into account in drawing up the Regulations For climatic reasons, the provisions which exist in the Dress Regulations for staff of the three upper Divisions of the Railway, *viz* , the Moradabad, Allahabad and Lucknow Divisions, are different from those applicable to corresponding staff of the three lower Divisions *viz* , Howrah, Asansol and Dinapore Thus, the Regulations permit the supply of trousers to the Gunners employed on the three upper Divisions, but not to those of the three lower Divisions The Regulations referred to also do not provide for the supply of uniforms to categories of staff of the Carriage and Wagon Department other than the following (i) Head Train Examiner, (ii) Train Examiners of all grades, (iii) Assistant Train Examiners, (iv) Carriage Fitters, and (v) Carriage cleaners I would add that, for some time past, the East Indian Railway like other railways has been experiencing difficulty in providing uniforms in many cases to the staff entitled to it due to short supply of clothing materials

(b) This is a matter of detailed administration which is within the competence of the General Managers of Railways to decide and Government see no reason to interfere

SUBMISSION OF EXPLANATIONS BY THE LOCOMOTIVE STAFF OF HOWRAH DIVISION

455 *Mr Nagendranath Mukhopadhyay (a) Will the Honourable Member for Railway please state if the Government of India are aware of the fact that the Locomotive staff of the Howrah Division on the East Indian Railway are forced to have their explanations written by the clerks of the Running sheds in reply to chargesheets?

(b) Do Government propose to take steps to put a stop to this practice?

The Honourable Dr John Matthai (a) It is not a fact that the staff in question are forced to have their explanations in reply to charge sheets written by the clerks of the Running sheds Government are informed that since a large number of staff concerned are not capable of submitting without assistance their explanations to the charge sheets issued to them the East Indian Railway Administration have allowed them the privilege of having their explanations written by the Shed Clerk free of cost, and the staff are quite free either to make use of this privilege or to get the help of outsiders of their own choice

(b) Does not arise in view of the reply to part (a) As, however there appears to be some misunderstanding on the part of the staff concerned, the General Manager is being asked to make the position clear to them

SUNDAY ALLOWANCE TO TRANSPORTATION AND SHUNTING STAFF OF HOWRAH AND OTHER STATIONS ON E I RAILWAY

456 *Mr Nagendranath Mukhopadhyay (a) Will the Honourable Member for Railways please state if the Government of India are aware of the fact that the Transportation shunting staff of Howrah and other stations on the East Indian Railway are not getting the Sunday allowance for working on Sundays?

(b) Do Government propose to consider the advisability of sanctioning the Sunday allowance for the above staff? If not, why not?

The Honourable Dr John Matthai (a) I presume the Honourable Member is referring to stationary Shunting staff such as Shunting Jamadars and Shunting Porters as distinct from Shunters and Firemen, who come under the category of running staff If so, the reply is in the affirmative except that ex-Company staff working in the Howrah Goods Yard are paid, under the former East Indian Railway Company Rules, Sunday allowance if called upon to work on a Sunday

(b) The proposal involves the extension to staff who are not classed as running staff, of certain allowances which are given under the State Railway Rules to

running staff only As the conditions of duty of the two classes are different Government are unable to agree to the suggestion made by the Honourable Member

FIXATION OF MINIMUM PRICE OF AGRICULTURAL PRODUCE

457 *Mr Sasanka Sekhar Sanyal Will the Secretary of the Department of Agriculture be pleased to state

(a) the steps Government have taken or intend to take in the matter of (i) fixation of a minimum price for agricultural produces, and (ii) fixation of minimum wages for agriculturists,

(b) whether Government are aware of the position obtaining in such matters in other countries where a vast portion of the population lives upon agriculture, and

(c) whether there is any expert or authoritative Committee to advise Government in such direction, if so, the nature and composition of such Committee?

Sir Pheroze Kharegat (a) (i) The Government of India appointed a Committee to report on the principles on which producers' prices of agricultural produce should be fixed and the means by which such prices can be made effective and an assured market provided for agricultural produce The Summary of the report of this Committee has been circulated to Honourable Members This Summary was discussed at a Conference with Provincial Ministers and representatives of Indian States A copy of the unofficial note issued on the subject is placed on the table

(ii) The Minimum Wages Bill, 1946 which is now before the House, provides for the fixation of minimum wages for employment in different occupations including Agriculture

(b) Yes, Sir, particularly in respect of the U S A Canada Australia and U K

(c) The question of setting up a Price Determination Commission will be considered along with the whole scheme of price stabilisation In the meantime Government have set up a Commodity Prices Board Government in the Labour Department also have under consideration the institution of an enquiry to ascertain the average earnings standards of living and opportunities of employment in agricultural labour

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GOVERNMENT OF INDIA

PRESS INFORMATION BUREAU

AGRICULTURAL PRICES CONFERENCE CONCLUDES

GENERAL AGREEMENT ON KRISHNAMACHARI COMMITTEE PROPOSALS

The Conference of Provincial Ministers, representatives of Indian States and representatives of the Government of India held in New Delhi to consider the recommendations of the Krishnamachari Committee on agricultural prices concluded its discussions today (January 18)

There was a free exchange of views as the conference was of a purely exploratory nature and did not therefore commit the respective Governments in any way

Fair Price—Subject to this there was general agreement at the conference that steps should be taken to fix a fair price and that a stable agency should be established for determining and enforcing the same This will be a necessary complement to the Grow More Food Campaign Arrangement should be made, for this purpose, to collect the necessary data relating to costs of production The prices fixed would be different for different regions, depending upon normal price differentials

There would be, for each area and commodity selected, a maximum price and a minimum price to be fixed each year, though where monopoly procurement is in operation, a single purchase price might be fixed In addition, there should be a rock bottom limit below which the minimum price should not be permitted to drop

Agricultural Prices Council—The conference in general agreed that there should be an all India Agricultural Prices Council on which the Centre, Provinces and States should be represented for coordinating an agricultural price policy It was also suggested that regional bodies might be established by Provinces and States where deemed necessary There should be a semi judicial body (like the Tariff Board, but a standing body) for recommending the prices to be fixed and a Commodity Corporation for holding reserve stocks and making the minimum and maximum prices effective by necessary market operations As the setting up of the Council will take time the Provinces and States should continue their existing arrangements in the interval The decisions of the council can only be made effective by the common consent of the Provinces and the States who would themselves have a voice in their making It was generally realised that the control of imports and exports was fundamental to the proposals and it was suggested that the responsibility for imports and exports should be entrusted to the Council The maritime Provinces and States would have to consider what legislation would be necessary for the purpose There was general agreement that the necessary grain storages should be constructed at different centres for at least 1½ million tons of foodgrains and the work of construction should be taken in hand as soon as practicable The feasibility of holding stocks in villages through Gram Banks should also be explored It was suggested that the detailed financial implications of the whole programme should be further examined by the Centre and the Provinces and States The view was expressed by some members that the Central Government might shoulder the responsibility for providing the initial outlay but several of the representatives of the Provinces and States expressed their willingness to examine the feasibility of sharing a part of the burden

It is expected that another Conference will be called after the full report of the Krishnamachari Committee is made available to the Provinces and States to consider this matter further

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Mr Sasanka Sekhar Sanyal Have Government any intention of immediately implementing some of the tentative decisions arrived at in the conference of provinces States and the Centre?

Sir Pheroze Kharegat Yes Sir We are at present awaiting the full report and as soon as that is received steps will be taken to examine the report in detail and give effect to the recommendations in so far as it is feasible

Mr Sasanka Sekhar Sanyal Is it the intention for the time being of Government to take some of the more important agricultural products for this implementation or to go into the question of all agricultural products on an over all consideration?

Sir Pheroze Kharegat We are expecting the full report in a couple of weeks now and we would rather wait for it than deal with it piecemeal

Sri V C Vellingiri Gounder May I know if in the recent conference of Ministers the question of price fixation was considered?

Sir Pheroze Kharegat Yes Sir The conference was called for that particular object and though they did not go into the details of what prices should be fixed they discussed in general the broad principles that were to be applied

Sri V C Vellingiri Gounder Is it going to be a final decision?

Sir Pheroze Kharegat No Sir This was merely an exploratory conference and after the full report is received the matter will be further examined by the provinces and the centre probably at another conference

Sri V C Vellingiri Gounder Is it not a fact that many people wanted to know about this fixation of prices and without that the GROW MORE FOOD campaign will also be affected?

Mr President That is a matter of opinion

Mr Sasanka Sekhar Sanyal Were the Houses of the Central Legislature represented at the conference?

Sir Pheroze Kharegat No, Sir This was a conference between the provincial Ministers and the representatives of the Central Government

Mr Sasanka Sekhar Sanyal Is the report of the conference going to be placed before the Standing Committee on Agriculture of this House?

Sir Pheroze Kharegat Probably a copy of the unofficial note issued on the subject together with the proceedings will be placed before that Committee

Pandit Lakshmi Kanta Maitra Did all the provincial Governments participate in that conference?

Sir Pheroze Kharegat Yes, Sir There were representatives of all the eleven provinces

Babu Ram Narayan Singh Did the conference decide anything finally?

Mr President That has already been answered in the negative

Sri V Gangaraju Was there any proposal from the Madras Premier or the Food Minister to raise the paddy prices in Madras province?

Sir Pheroze Kharegat A suggestion to that effect was made

COTTON POLICY OF GOVERNMENT

458 *Mr Ahmed E H Jaffer (a) Will the Honourable Member for Industries and Supplies please state whether Government have seen the report of the address by the President of the East India Association at its annual meeting in Bombay on December 17th last strongly criticising the policy of the Government of India in the matter of trading in new crops for the season of 1946-47?

(b) Do Government propose to make a statement on its cotton policy in the House at an early date?

The Honourable Sri C Rajagopalachari (a) Yes Sir

(b) The telegram referred to in the address in question urged that the ceiling prices of Indian cotton should be raised by at least Rs 100 a candy because American cotton had at that time risen very considerably in price The position was at the time abnormal but American prices have since fallen and I am informed that type for type and allowing for the American subsidy on exports and the Indian export duty Indian cottons are more or less in parity with world prices now The Government of India raised the floor prices of fine Jarilla 1" by Rs 80 per candy in October 1946 and other cottons *pro rata*, reducing the difference between the floor and ceiling from the previous range of Rs 180 to Rs 100 and thus reducing the margin for speculation Government were unable to accept the recommendation regarding ceilings because prices were then generally well below the ceilings as they are now and any increase in the margin between floor and ceiling would inevitably have increased the scope for speculation in the market and also tended to raise the price of the types of cloth mostly in demand by the poorer consumer The price increase would also have had a material effect on the prices of food crops like jowar and bajri which are interchangeable with cotton Government had also to take into account the substantially inflationary effect of the recommendation

The letter referred to in the address urges that control over cotton should be removed and that if it is not removed at any rate the ceiling prices should be raised I have already explained why the Government of India have decided not to raise the ceilings and as regards the continuance of cotton control, it is difficult if not impossible to control the prices and production of cotton cloth without controlling the sale and prices of raw cotton

The Association in the same letter also protest against the imposition of the export duty on cotton The justification for this moderate duty is that cotton merchants make handsome profits on exports

The Association also urged in their letter that some exports of cotton stapling more than 11/16 should be permitted The Government of India have agreed to this Proposal

Seth Sukhdev Is the Honourable Member aware that the prices of cotton have reached the floor?

The Honourable Sri C Rajagopalachari They have not reached the floor

Seth Sukhdev Are they not near the floor?

The Honourable Sri C Rajagopalachari They may be, but it is not a matter for regret

Seth Sukhdev Is the Honourable Member aware that even at this low rate millowners are not coming into the market to purchase the cotton?

The Honourable Sri C Rajagopalachari The floor is fixed and the ceiling is fixed on a consideration of all matters and it is to be expected that prices may go near the floor sometimes and sometimes the ceiling As to whether millowners have wickedly refused to buy is a matter very difficult to decide without minute investigation My information is that they have enough stocks and we cannot compel people to buy when they have enough stocks

CONTROLLER GENERAL OF CIVIL SUPPLIES, BOMBAY

459 *Shri D P Karmarkar (a) Will the Honourable Member for Industries and Supplies please state if it is a fact that the Office of the Controller General Civil Supplies was abolished and if so, when?

(b) Who was appointed as his successor and when?

(c) Who is authorised to transfer by endorsement the Government Promissory Notes issued in the name of the Controller General of Civil Supplies, Bombay after the abolition of his office?

The Honourable Sri C Rajagopalachari (a) The Office of the Controller General of Civil Supplies was abolished with effect from 1st January 1946

(b) No successor was appointed to fill this post but in order to wind up the Organization of the Controller General of Civil Supplies and to assist the Centre in the discharge of the residual work arising out of the Hoarding and Profiteering Prevention Ordinance and the Consumer Goods (Control of Distribution) Order, a small staff under Officers known as Liaison Officers (Consumer Goods) was maintained at all major ports including Bombay

(c) The Liaison Officer (Consumer Goods) of Bombay, in addition to his other duties, is authorised to sign as successor in title to the Controller General of Civil Supplies for the purpose mentioned in the question

ORDERS OF DIRECTOR GENERAL, POSTS AND TELEGRAPHS *re* DISCHARGE OF NON-MATRICS TEMPORARY CLERKS

460 *Seth Sukhdev Will the Secretary of the Communications Department please state

(a) whether it is a fact that the Director General Posts and Telegraphs informed the deputation of the All India Postal and Royal Mail Service Union, which met him at Karachi on the 29th November, 1946, that the existing orders of the Department were that non-matriculates who were temporarily taken up in clerical appointments should be the first to be removed from service,

(b) whether it is a fact that in spite of this order, the Post Master, Karachi has been discharging all Matriculates and retaining non-Matriculates in the clerical appointments,

(c) whether it is a fact that lowest qualification for clerical appointments in the Post and Telegraphs Department is Matric, and

(d) if the reply to parts (a) to (c) be in the affirmative do Government propose to recall and compensate such discharged men?

Sir Harold Shoobert (a) Yes, but, in view of the serious deficiency in the representation of certain minority communities, it has since been decided that in order to maintain the communal balance and to redress short recruitment of minority communities in the past, unqualified members of those communities already in temporary employment should be retained

(b) The Postmaster has been complying with the decision that the discharge of temporary employees shall be so regulated as to ensure that the composition of the temporary staff retained is, as far as possible in accordance with the communal ratio prescribed for recruitment

(c) Yes ordinarily but this requirement was relaxed during the war period

(d) Does not arise

Shri Mohanlal Saksena Are qualified candidates of the communities concerned not available

Sir Harold Shoobert No Sir not qualified candidates in the numbers required

FUNCTIONS OF STANDING COMMITTEE OF INDUSTRIES AND SUPPLIES

461 *Mr Hafiz M Ghazanfarulla (a) Will the Honourable Member for Industries and Supplies please state what are the functions of the Standing Committee of Industries and Supplies?

(b) What items are supposed to be placed before this Committee?

(c) How many meetings of the Committee were held during the year since it was appointed?

The Honourable Sri C Rajagopalachari (a) The functions of the Standing Committee of Industries and Supplies Department are to help the department with advice on subjects placed before them

(b) The attention of the Honourable Member is invited to Rule 7 of the Rules published with the Legislative Department Notification No F 179/44 C &G, dated 5th March 1945 relating to this subject a copy of which is placed on the table

(c) One on April 6th 1946 Another meeting will be held on 1st March 1947

No F 179 44 C & G dated the 5th March 1945 - In supersession of the Notification of the Government of India in the Home Department No F 49 Pub dated the 22nd August 1922 and of all notifications amending the same the following Rules to regulate the constitution and procedure of Standing Committees of the Central Legislature are published for general information —

RULES

1 Standing Committees of the Central Legislature to advise on subjects handled in a particular Department of the Government of India are constituted as the result of the adoption by each Chamber of a motion for the election to such Committee for the next following financial year of a specified number of non official members of the Chamber concerned

Provided that on the dissolution or expiration of either Chamber the motion made in the first session of the new Chamber may propose the election of members to such Committee for the period comprising the unexpired portion of the current financial year and the whole of the next financial year

2 Subject to rule 3 such motions will hereafter be moved annually in the course of the Budget Session in the case of the following Departments, namely —

The Commerce Department
The Labour Department
The Industries and Supplies Department
The Food Department
The Department of Communications
The Department of Information and Broadcasting
†The Transport Department
The Home Department

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†*The Committee to be constituted for this Department will advise on the subject handled* in the Department other than subjects within the jurisdiction of the Standing Committee for Roads

The Legislative Department,

The Department of Agriculture,

The Department of Education,

The Department of Health,

The Department of Commonwealth Relation,

*The External Affairs Department

The Department of Works Mines and Power

3 If a Department named in rule 2 proposes to discontinue the Standing Committee attached to the Department appropriate steps will be taken to bring this intention to the notice of each Chamber in advance of the date on which the motion for the election of members for the next following year would normally be made

4 Any Department named in rule 2 may at its option move for the election of members to two or more Committees to advise on different categories of subjects handled in the Department

Provided that where two or more Committees are constituted for a Department the subject matter assigned to the Committee shall substantially embrace in the aggregate all the subjects handled in the Department

5 A member of a Committee who ceases to be a member of the Chamber which elected him to the Committee shall cease to be a member of the Committee and if a vacancy occurs in a Committee for this or any other reason during the course of the year for which the Committee was constituted a motion shall be made as soon as may be in the Chamber concerned for the election of a member to fill the vacancy

6 The Chairman of each Committee will be the Member of the Governor General's Executive Council in charge of the Department to which the Committee is attached or any officer deputed by him to act as Chairman on his behalf, and an officer in the Department concerned will be Secretary to the Committee

7 The following subjects will be laid down before the Standing Committees -

(i) All Bills introduced or proposed to be introduced by non official members of the Legislature, and legislative proposals which the Department concerned intends to undertake and on which the Member in charge of the Department desires the advice of the Committee

(ii) Reports of Committees and Commissions (not including unpublished reports of departmental committees) on which the Indian Legislature is not adequately represented

(iii) Major questions of general policy on which the Member in charge of the Department desires the advice of the Committee

(iv) Annual Reports

(v) With the approval of the Member in charge of the Department any topic of public importance within the field of the Committee which a member of the Committee may propose for discussion —

Provided that —

(i) in cases of urgency a reference to the Committee may be dispensed with by the Department concerned,

(ii) the following cases shall be excluded from the purview of the Committee -

(a) cases concerning appointments,

(b) all cases which the Member in charge of the Department concerned considers cannot be placed before the Committee consistently with the public interest

8 The functions of Standing Committees will be purely advisory and their proceedings will be strictly confidential No press representatives will be allowed to attend any meeting of a Committee Brief reports of the activities of each Committee mentioning the subjects discussed and the conclusions reached by the Committee but not the tenor of the discussions will be circulated to all members of the Central Legislature

9 Meetings of the Standing Committees will be summoned by the Secretary not less than twice a year at such times as may be decided by the Member in charge of the Department The agenda of the meeting will be drawn up and circulated by the Secretary, together with a Memorandum explaining the nature of each item of business and copies of such papers as the Member in charge of the Department directs to be furnished to the

*The Committee to be constituted for this Department will advise on such subjects only as appertain to British Baluchistan Tribal Areas, and India s membership of the United Nations Organisation

Committee Such papers will be returned by members to the Secretary at the close of each meeting The proceedings of the Committee will be confined to items of business entered in the agenda, and any requests for further information will be dealt with under the orders of the Member in charge

10 At a meeting of a Standing Committee the Secretary may be requested by the Member to explain each item of business The Chairman will then invite a discussion and the Secretary will note on the departmental file the general opinion of the Committee

11 The Committees established under these rules will be in addition to the Defence Consultative Committee, the Standing Committee for Roads, the Standing Finance Committee, the Standing Committee for Emigration, the Standing Committee on Pilgrimage to the Hejaz, the Standing Finance Committee for Railways and the Central Advisory Council for Railways which have been established under other rules, and the procedure of which will continue to be governed by the rules under which they were constituted

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ALLOTMENT OF STEEL TO PROVINCIAL CONTROLLER, UNITED PROVINCES

462 *Mr Hafiz M Ghazanfarulla (a) Will the Honourable Member for Industries and Supplies please state how much Iron and Steel has been supplied to the Provincial Controller United Provinces since the work of Steel control has been given to the United Provinces Government?

(b) Are Government aware that there are more difficulties in the supply of steel now than there were during the war?

(c) Do Government propose to allot more steel to Provinces to encourage more construction of Buildings?

The Honourable Sri C Rajagopalachari (a) The work of Steel Control has not been given to United Provinces Government or any other Provincial Government Provincial Governments have nominated officers to issue permits to enable small manufacturers and the general public to acquire steel for general purposes including the manufacture of goods on a small scale, house building and agricultural purposes against quotas allotted for these purposes The allotment to U P for Period I is 9,500 tons and for Period II is also 9,500 tons The amount supplied against Period I will not be known till after the end of March

(b) Yes There is less steel for distribution than there used to be during the war

(c) Government are well aware of the importance of allotting more steel to encourage the construction of buildings and have, therefore, allotted steel to the provinces even at the expense of important development works It is not possible to allot more steel to Provinces at this stage

(*b*) WRITTEN ANSWERS

RECOMMENDATIONS OF THE PRICE SUB COMMITTEE OF THE POLICY COMMITTEE ON AGRICULTURE, FORESTRY AND FISHERIES

463 *Prof N G Ranga Will the Secretary of the Department of Agriculture be pleased to state

(a) the steps that are being taken to implement the recommendations Nos 21 and 22 of the Price Sub committee of the Policy Committee on Agriculture Forestry and Fisheries known as V T Krishnamachari Committee suggesting the collection of information regarding the costs of cultivation and of the agricultural products and also of standard of living of representative peasants and agricultural workers,

(b) if no such enquiries have yet been instituted, when will they be started,

(c) the steps that are being taken by Provincial and Central Governments in regard to this matter, and

ent steps are being taken as suggested by the

Sir Pheroze Kharegat (a) and (b) The recommendations of the Committee were considered at a Conference of Provincial Ministers and representatives of Indian States recently A copy of the press note issued on the subject has been placed on the table in reply to question No 457 of 21st February, 1947 A decision will be taken after a detailed examination of the full report of the Committee In the meantime a pilot scheme to test the methods to be adopted and to form an estimate of the size of sampling that is necessary for undertaking cost of production enquiries on a countrywide scale is under consideration

(c) and (d) The Central Government have set up on a five-year basis an Economics and Statistics Section in the Department of Agriculture, which will plan and supervise enquiries The Indian Central Jute Committee, the Punjab Board of Economic Enquiry and the Gokhale Institute of Economics and Politics in Bombay are also carrying out such investigations Some Provincial Governments have included in their post-war plans, schemes for conducting surveys into the Economics of Agriculture

CONVERSION OF CANTEENS INTO INDIAN REFRESHMENT ROOMS AT JUBBULPORE, MUTTRA, AGRA AND OTHER STATIONS

464 *Mr Sasanka Sekhar Sanyal Will the Honourable Member for Railways be pleased to state

(a) whether Government are aware that in stations like Dehri-on-Sone, Jubbulpore, Nagpur, Muttra, Agra, Manikpur etc there is no Indian Refreshment Room and that at present there are canteens in those stations which are being abolished,

(b) whether Government propose to consider the question of converting these canteens into Indian refreshment rooms, and

(c) whether Government propose to consider the question of abolishing the distinction of Indian refreshment rooms and European style refreshment rooms with a view to having only one consolidated class of refreshment rooms on the Indian style, keeping provision for preparing European style meals on order?

The Honourable Dr John Matthai (a) There is no Indian Refreshment Room at any station mentioned but provision exists for an adequate supply of light refreshments to passengers With regard to the second part of the question, information is being obtained and will be laid on the table of the House in due course

(b) Generally speaking, canteens being temporary structures are not suitable for Refreshment Rooms They may be suitable for conversion into food-stalls at certain stations and Railways will consider this possibility as canteens are vacated by the Military

(c) The whole question of classification of Refreshment Rooms is under consideration of Government in consultation with the Central Advisory Council for Railways It may be mentioned in this connection that a sub-committee appointed by the Central Advisory Council at a meeting in April last has recommended the retention of refreshment rooms in their present form Government will take a decision after the matter has been further considered by the Central Advisory Council for Railways at the meeting scheduled for the 15th March, 1947

SCHEME FOR A RAILWAY BETWEEN DHARWAR AND BELGUAM ON M & S M RAILWAY

465 *Shri D P Karmarkar Will the Honourable Member for Railways be pleased to state

(a) whether it is a fact that a scheme for laying a railway between Dharwar and Belgaum on the Madras and Southern Mahratta Railway *via* Saundathi and Bail Hayal was considered by Government in the past, and

(b) whether a report was published giving prospects and details of that scheme and if so, whether copies will be placed in the Library of the House?

The Honourable Dr John Matthai (a) Yes The last occasion when such a scheme was considered was when the financial prospects of a railway line from Hubli to Belgaum *via* Dharwar, Saundatti and Bail Hongal were investigated in 1934-35 Traffic and Engineering surveys had been carried out earlier by the M and S M Railway in 1928

(b) No report was submitted on the 1934-35 investigations as it was just a review of the case based on the current values of the 1928 survey figures The survey report of 1928 was submitted to the Railway Board This was an official document and was not published for general information It is regretted that it will not, therefore, be possible to place copies of this report in the library of the House

SUPPLY OF WATER AT RAILWAY STATIONS

456 ***Syed Ghulam Bhik Nairang** Will the Honourable Member for Railways please state

(a) whether his attention has been drawn to a letter headed 'Orthodox Water' which appeared in the *Dawn*, dated the 4th December, 1946

(b) if so whether the statements contained in the letter relating to classification of water into Orthodox Water and General Water kept at Railway Stations are correct, and

(c) for whom the water labelled as Orthodox and General is kept, or taken about in hand carts on the railway stations?

The Honourable Dr John Matthai (a) Yes

(b) and (c) The position is that the Government of India have directed railways to issue such orders as will lead, at the earliest possible date to the elimination of the use of the communal adjectives such as "Hindu" and "Mussalman" in all cries uttered by vendors or watermen on railway premises Railways have also been directed to arrange for the painting out of such words, where now existing, on chatty stands and water trolleys, and for the substitution therefor of the words 'Orthodox and General' respectively Railways have been informed that it is not intended that there should be any change in, or cessation of the employment of specific individuals for the various wares affected by the change Government's sole reason for issuing these directions was that they considered that the use of communal adjectives is neither necessary nor desirable It is not the case that orthodox water is meant for only one section of the travelling public and general water for the rest No person of any community is prohibited from taking water from any waterman who may be serving either water labelled "Orthodox" or that labelled 'General Government are aware that there are sections of Muslims who object to taking water from other than Muslims, but as the orders issued have not affected any change in, or cessation of, the employment of individuals previously employed, Government are unable to appreciate that any genuine hardship is being caused to any section of the public Government will however, review the matter after sufficient experience of the actual working of the present arrangement is available

SUPPLY OF WATER TO SHIAS AT RAILWAY STATIONS

467 ***Syed Ghulam Bhik Nairang**: Will the Honourable Member for Railways please state if Government are aware that a very large section of Muslims in general and particularly all Shia Muslims abstain from taking any food or drink from the hands of non-Muslims if so what arrangements have been made for supplying water to them at Railway Stations?

The Honourable Dr John Matthai: Government are aware that some Muslims abstain from taking any food or drink from the hands of non-Muslims. Water served by Muslims is available at railway stations

'HINDU' AND 'MUSLIM' WATER AT RAILWAY STATIONS

468. *Syed Ghulam Bhik Nairang. Will the Honourable Member for Railways please state whether Government are aware of the futility of attempts to create artificial intercommunal unity by methods like the classification of water into Orthodox water and General water kept at Railway Stations, if so, do Government propose to revert to the old established system which was intended to respect the legitimate and *bona fide* religious susceptibilities of Hindus and Muslims?

The Honourable Dr John Matthai: Government did not issue instructions regarding re classification of water into "Orthodox" and "General" in any attempt to create intercommunal unity, but did so as they considered that the use of communal adjectives in the manner is neither necessary nor desirable Government's orders have not affected any change in, or cessation of, the employment of specific individuals for the various wares, and water served by both Hindus and Muslims is available at stations as before Government at present see no reasons to revert to the former procedure, the matter is however to be reviewed after sufficient experience of the actual working of the present arrangement is available

SCARCITY OF MUSTARD OIL IN BIHAR

469 *Mr. Madandhari Singh Will the Secretary of the Food Department be pleased to state

(a) whether the Government of India are aware of the acute scarcity of mustard oil in the country particularly in Bihar and of the abnormal rise in its price,

(b) the reason for such scarcity and rise in price, and

(c) the steps that are being taken or are proposed to be taken for making mustard oil available at reasonable price?

Mr K. L Panjabi (a) Yes, Sir

(b) The reason for the scarcity is that the production of mustard seed has not increased in proportion to the demand

(c) The Central Government called a conference of the provincial Food Ministers on 16th February to discuss what measures should be taken regarding future control of all oilseeds The matter is now under active consideration by the Government I regret I am unable to give any further information to the Honourable Member at this stage

RAIL-ROAD COMPANIES IN BIHAR

470 *Mr. Madandhari Singh (a) Will the Honourable Member for Transport be pleased to state how many Rail Road Companies were formed in Bihar?

(b) Who were the promoters of those companies?

(c) How many motor buses were provided for each Company?

(d) What is the total cost of these motor buses of each company?

(e) When were these motor buses allotted to and received by these companies?

(f) Under whose charge are these motors and vehicles now in each company?

(g) What is the condition of these vehicles now?

(h) Has any decision been reached to start these Companies? If none, why?

(i) What steps are Government taking to start these companies?

(j) What expenditure have the promoters incurred in each of these companies?

(k) When are Government going to decide finally about starting the operation of these Companies?

The Honourable Dr John Matthai (a) None

(b) to (g) Do not arise

(h), (i) and (k) It is understood that the question is under the active consideration of the Government of Bihar and that a scheme has been prepared and is under final scrutiny Their decision is likely within a few weeks

(j) None

STORAGE OF FOODGRAINS BY THE GOVERNMENT OF INDIA

471 *Seth Sukhdev (a) Will the Secretary of the Food Department be pleased to state what is the total capacity of accommodation for bulk storage of food grains, the Government of India have constructed at their cost?

(b) What is the total capacity of accommodation for storage of food grain in bags, which the Government of India have constructed at their cost?

(c) What is the total accommodation referred to in parts (a) and (b) above which has been constructed by various Provincial and States administrations entirely at their own costs?

(d) What is the total accommodation referred to in parts (a) and (b) above which has been subsidised by the Government of India?

Mr. K L Panjabi: (a) to (d) A statement is placed on the table of the House

Statement

—	Accommodation for bulk storage	'In tons'	Accommodation for bag storage
(a) Cost borne entirely by the Government of India	30,000		65,000
(b) Cost borne entirely by the Provincial and States Governments	98,642		17,85,757
(c) Cost borne jointly by the Central and the Provincial Governments	Nil		94,650

GOVERNMENT SUBSIDY FOR ACCOMMODATION FOR STORAGE OF FOODGRAIN

472 *Seth Sukhdev Will the Secretary of the Food Department please state the cost of accommodation referred to in parts (a) and (b) of the preceding question and the amount of subsidy Government have paid so far or have yet to pay in respect of the accommodation referred to in part (d) of the preceding question?

Mr K L Panjabi. The cost of bulk storage constructed is Rs 33,23,000 and that of bag storage Rs 41,28,000 The amount of subsidy at six annas per rupee paid hitherto is Rs 9,517 and the subsidy yet to be paid is estimated at Rs 36,450 The amount paid on godowns constructed on 50 50 basis is Rs 11 63,000 and the amount still to be paid is estimated at Rs 8,76,000

COMPLETION OF CONSTRUCTION OF ACCOMMODATION FOR STORAGE OF FOODGRAINS

473 *Seth Sukhdev Will the Secretary of the Food Department please state the dates, when the construction of accommodation of different types for the storage of food grains referred to in the preceding question (No 471) was completed?

Mr K L Panjabi: A statement giving the required information in respect of storage construction undertaken at the entire cost of the Government of India or subsidized by them is placed on the table of the House Information about godowns built by the Provinces and States at their own cost is not readily available

Statement

(i) *Storage accommodation constructed at the entire cost of the Government of India*

	Date of completion
(a) Bulk storage	November, 1945
(b) Bag storage godowns—	
(1) Bombay	June, 1945
(2) Coimbatore	March, 1946
(3) Vizagapatam and Bobbili	April, 1946

(ii) *Storage godowns subsidized by the Government of India at* 6 *As in the rupee*

Eastern States	Date of completion
(a) Godowns of 1,000 tons capacity	December, 1945
(b) Godowns of 2,500 tons capacity	March 1946
(c) Construction of some godowns of 1,500 tons capacity is still in progress in the Eastern States.	

(iii) *Storage godowns the cost of which has been shared by the Central and Provincial Governments on a* 50 50 *basis*

(a) Punjab	22,800 tons completed by August, 1945
Sind	29,400 tons completed by May, 1946
C P	24,500 tons completed by July, 1946
Orissa	14,450 tons completed by March, 1946

(b) Construction of some godowns is still in progress in Sind, C P and Orissa to the extent noted below —

Orissa	16,550 tons
C P	1,350 tons
Sind	600 tons

ACCOMMODATION FOR STORAGE OF FOODGRAINS

474 *Seth Sukhdev Will the Secretary of the Food Department please state

(a) the total capacity of each type of accommodation referred to in parts (a), (b) and (d) of the preceding question (No 471) which is utilised at present, and

(b) the maximum capacity of each type of accommodation that has been utilised at any time since their completion?

Mr K L Panjabi (a) All the godowns mentioned in reply to (a), (b) and (d) of Question No 471 are being utilised at present

(b) The provision of 35,000 tons of bag storage at Bombay is being used to the fullest extent The bins of a capacity of 30,000 tons in Sind have been lent to the Local Government and are being used The storage for 16,000 tons at Coimbatore and 12,000 tons at Vizagapatam has been utilised for central reserves of foodgrains upto 5,000 and 9,000 tons respectively The balance of the accommodation at these two centres, together with godowns of a capacity of 2 000 tons at Bobbili, have been leased to the Provincial Governments Information regarding the godowns constructed with a subsidy from the Central Government is being collected and will be laid on the table of the House It will be appreciated that owing to the shortage of imports of foodgrains the storage is not being used to the fullest extent

UTILISATION OF ACCOMMODATION FOR FOODGRAINS STORAGE AFTER FOOD CRISIS IS OVER.

475. *Seth Sukhdev Will the Secretary of the Food Department please state how Government propose to utilise the accommodation built for the storage of food grains after the present food crisis is over?

Mr K L Panjabi It is proposed to use the Central Government's godowns, after the present emergency is over, for storing the Emergency Reserve of Foodgrains as recommended by the Krishnamachari Committee Where this is not advisable they will be disposed of to the best advantage of Government

TELEPHONE CONNECTIONS IN PATNA

476 *Mr Madandhari Singh Will the Secretary of the Communications Department be pleased to state

(a) the number of telephone connections given to civilians in Patna in 1946,

(b) the number of applications pending for telephone connections in Patna, and

(c) the steps that are taken to expedite the giving of telephone connections to civil population there?

Sir Harold Shoobert (a) Thirteen direct connections and six extensions

(b) 275

(c) To give immediate relief, orders have been already issued for the supply and installation of two additional 100 line exchange switchboards at Patna under the priority *'urgent'* The capacity of Dinapur exchange has now been raised from 50 lines to 100 lines and the installation of a small exchange to remove most of the Posts and Telegraphs service connections from the public exchange is nearing completion This will give additional relief to the main exchange, meanwhile the question of further expanding the Patna telephone system is under active consideration

QUOTA OF COTTON CLOTH ALLOTTED TO BIHAR

477 *Mr Madandhari Singh (a) Will the Honourable Member for Industries and Supplies be pleased to state the quota of cotton cloth allotted to Bihar?

(b) How much supply was made in 1946?

(c) Are Government aware that supply of cotton cloth was not made for some months?

(d) If the answer to part (c) above is in the affirmative, do Government propose to send the due quota of cotton cloth to Bihar, so that the distribution may be made to the people?

The Honourable Sri C Rajagopalachari (a) 23,939 bales a month

(b) 257,219 bales

(c) Owing to the fall in production supplies to all provinces were in arrears At one time the arrears due to Bihar reached 48,000 bales

(d) The arrears due to Bihar have now been completely cleared

AGRICULTURAL ENGINEERING RESEARCH SECTION

478 *Sri V C Vellingiri Gounder Will the Secretary of the Department of Agriculture be pleased to state, in view of the opinion of Government as stated in answer to my starred question No 584 asked on the 14th November, 1946 that there is considerable scope for expansion of Research in Agricultural Engineering, whether Government propose to put up a well-equipped Agricultural Engineering Research Section at the Imperial Agricultural Research Institute instead of allowing it to be done piece-meal by the Provincial Agricultural Departments?

Sir Pheroze Kharegat: A division of Agricultural Engineering has recently been set up at the Agricultural Research Institute It will undertake research into the improvement of agricultural implements in common use and impart Post graduate training in Agricultural Engineering and workshop practice

ENGINEERS FROM ABROAD WITH TRAINING IN AGRICULTURAL ENGINEERING RESEARCH FOR DESIGNING AGRICULTURAL IMPLEMENTS

479 ***Sri V C Vellingiri Gounder** Will the Secretary of the Department of Agriculture be pleased to state whether Government propose to obtain from foreign countries the services of Engineers with training and experience in Agricultural Engineering Research in order to design and manufacture better types of agricultural implements and test their suitability and efficiency?

Sir Pheroze Kharegat: Yes, Sir A statement showing non-Indian Engineers already appointed or proposed to be appointed under the Department of Agriculture, is laid on the table They will however, only be retained till suitable Indian officers are trained for the work

Statement

1 *Mr M L Clark*—Proposed to be appointed as Agricultural Engineer on contract for three years under the scheme for the establishment of Tractor Testing Station at Karnal

2 *Major Brown*—Already appointed as Agricultural Engineer on contract for three years as Head of the Division of Agricultural Engineering at the Indian Agricultural Research Institute New Delhi

3 *Major J H Connors*—Already appointed as Chief Engineer (Tractors) on contract for three years He is in charge of the Heavy Tractor Repairs Workshop being set up at New Delhi

4 *Capt F H C Oram*

5 *Mr R C Sparkes*

6 *Capt S S Flaming*

7 *Mr States*

8 *Mr Shanahan*

Nos 4, 5 and 6 already appointed and Nos 7 and 8 proposed to be appointed for one year as Drilling Engineers for training suitable Indians in the use and maintenance of mechanically operated drilling rigs as also to supervise the actual construction of tubewells carried out by drilling divisions

UNSTARRED QUESTION AND ANSWER

MANUFACTURE OF TINNED MILK AND FOOD IN INDIA

57 **Mr Sasanka Sekhar Sanyal** Will the Secretary of the Agriculture Department be pleased to state

(a) the quantity of tinned milk which is manufactured in India,

(b) the steps that are taken by Government for providing healthy, hygienic and sanitary conditions under which such milk has to be manufactured, and

(c) the steps that are being taken by Government for effecting large increase in the manufacture of such tinned food?

Sir Pheroze Kharegat (a) Approximately 25,000 lbs of tinned milk per day is being produced by the Military Farms Milk powder is also manufactured in small quantities by some private firms

(b) Enforcement of hygienic and sanitary conditions for the manufacture of such milk is regulated under the Provincial Food Adulteration Acts and the rules framed thereunder The Military Farms Department are carrying out Chemical and Bacteriological tests at various stages during production and processing

(c) The Government of India have appointed a Planning Panel for milk products which is considering the various proposals for the expansion of the processed milk industry But there is such an acute shortage of milk in the country that it may not be possible to effect a *large* increase in the manufacture of such products

SHORT NOTICE QUESTION AND ANSWER

Visit of Sir Hutchings to England and Import of Foodgrains

Mr Ahmed E H Jaffer Will the Secretary of the Food Department be pleased to make a statement to the House in regard to the recent visit of Sir Robert Hutchings to England and what is the position of further import of foodgrains from Turkey and other countries, for which Sir Robert Hutchings was sent to England?

12 Noon

Mr K L Panjabi The object of Sir Robert Hutching's visit was to endeavour to arrange, in consultation with the India Office and the Ministry of Food, for accelerated and additional shipments of wheat to India from Turkey, and from such other sources as might present themselves, and to discuss the general world wheat position in its relation to the import programme recommended for India by the International Emergency Food Council

During his visit Sir Robert Hutchings held discussions with the Secretary of State for India, and with Mr Strachey, the United Kingdom Minister for Food, as well as with the principal officers of the India Office, and of the Ministry of Food

With regard to Turkey, the purchase has been concluded by His Majesty's Government of 125,000 tons of wheat, of which 87,500 tons is intended to be shipped to India The immediate necessity was to secure the earliest possible priorities for shipments for India, and it has now been agreed by H M G that the first three ships to be loaded shall come to India The proposal was made to them that the fourth ship also should be for this country This, H M G have promised to examine when the cargo for a fourth ship becomes available, and it is hoped that this ship also will be allocated to us

Major General Arnold, the Regional Food Commissioner, Northern Region, was deputed to proceed to Turkey and has made a report on the availability of wheat, the rate of movement to the ports, the loading facilities at the ports, and connected matters This information has been communicated to H M G, who have been requested most urgently to arrange the necessary shipping As a certain number of jute bags were necessary, it has been arranged for H M G to loan bags in their possession in Turkey for the ships programmed for India, and arrangements have been made to replace the bags by bags already despatched from India

H M G examined their position with a view to see whether any ships from North America destined for the United Kingdom could be diverted to India They regretfully reached the conclusion, however, that their own stock position made such a course impossible The shipping programme from Canada was behind schedule, ships had been delayed by bad weather, and dislocation of internal transportation in the United Kingdom added to their difficulties

A proposal was put forward for an exchange of maize destined for India for wheat from British East Africa, and the Government of British East Africa have been consulted by telegram as to whether they would favour this proposal, and, if so, what quantities of wheat would be available, and when It is hoped from this source that substantial additional supplies may become available for shipment, but nothing definite can be stated until a reply is received from the British East African Government

The possibility of quick shipments form Australia, and of subsequent supplies later in the year, was also discussed, but in this behalf the Government of India are already in touch with the Government of Australia, and no new light was thrown on the situation in London Briefly, the position is that there has been damage to the crop in parts of Australia normally surplus, and the Australian Government has had to make large scale intra provincial movements in Australia itself to remedy the internal supply position, and to keep the milling industry going This has reacted on their capacity to make early

shipments to India Two shipments have, however, been promised for February, in addition to two already released in January, and the Australian Government, which is sympathetic to our needs, has agreed to keep the position constantly under review Our High Commissioner in Australia has been requested to keep a close watch on our interests in this connection

The question of supplies of rice from Egypt was also discussed with H M G, and our Representative in Egypt is already in touch with the Egyptian Government on the subject

Mr Ahmed E H Jaffer. May I know the approximate date by which we may expect to receive

Mr President. Order, order When requests for such long statements are made, I should not allow supplementaries by way of questions otherwise it will be a sort of a debate The statement has already been made

MOTION FOR ADJOURNMENT

USE OF TROOPS BY THE PUNJAB GOVERNMENT

Mr. President: I have received a notice of an adjournment motion from Mr Muhammad Nauman to discuss a definite matter of urgent public importance, namely 'the use of troops against peaceful workers in the movement for the restoration of civil liberties in the Punjab as evidenced by the communique issued by the Punjab Government published in today's *Statesman* and other papers

There are several grounds on which I think this adjournment motion is inadmissible In the first place the Honourable Member did not give notice of it before 11 O'clock

Mr Muhammad Nauman (Patna and Chota Nagpur cum Orissa Muhammadan) I purposely did not do it because I did not like to rush the matter

Mr. President On his own admission, therefore, he did not feel the urgency of it

Mr Muhammad Nauman. I wanted to be sure I do not treat this House in the same manner

Mr President It has been ruled several times in this House by my predecessors that, in the case of papers which are published in the morning, unless notice is given before 11 O clock, the matter will be treated as having lost its urgency That is why I mentioned that when it was published in the *Statesman* and other papers in the morning, it was but necessary that he should have given notice before 11 O'clock In fact he gave notice after 11 O clock, it reached my Private Secretary at 10 minutes past One

Then this adjournment motion is barred because there was a similar adjournment motion tabled on the 3rd of February by Mr Ahmed Jaffer which, in substance, is the same thing as the present adjournment motion The subject matter of that adjournment motion reads like this

'The lending of troops by the Government of India to the Punjab Government for suppression of civil liberties of the people of the province of the Punjab"

Further I find that the facts also are not correctly stated While the adjournment motion says the use of troops against peaceful workers'—the workers were peaceful—'in the movement for the restoration of civil liberties in the Punjab, etc , etc , the communique states— the facts are these

'A mob of about 7,000 forced an entrance '

Some Honourable Members Peacefully forced!

Mr President " into the Gujrat courts yesterday and was driven back by lathi charges and by tear gas "

Obviously by Police

" A company of troops was then called up ' And these words are very important

[Mr President]

" and the mob dispersed "

Not that it was dispersed by troops, not that it was moved to the Jail by troops

" No further stoppage of railway trains in the Gujrat area is reported "

So it will appear that the facts as stated in the communique, which I must take as a true statement, are also different

Mr Muhammad Nauman The *Statesman* is not correct "A company of troops was then called up and the mob dispersed '

Mr President What paper is the Honourable Member reading from?

Mr Muhammad Nauman From the *Statesman*

Mr President I am also reading from the *Statesman* Perhaps the Honourable Member is in a hurry

Sjt N V Gadgil (Bombay Central Division Non Muhammadan Rural) He has a special copy!

Mr President "A company of troops was then called out and the mob moved on to the jail where it dispersed '

Shri Sri Prakasa (Benares and Gorakhpur Divisions cum Non Muhammadan Rural) The Statement differ Attlee and Churchill!

Mr President In addition to all this, the matter is clearly to my mind a provincial one Therefore, I do not think this adjournment motion is in order I have now to make an announcement

Haji Abdus Sattar Haji Ishaq Seth (West Coast and Nilgris Muhammadan) I am bound to accept your ruling With regard to those two headings under which you have given a ruling, I have to make a submission with respect to the first one—urgency

Mr President The Honourable Member may make it when another occasion arises

Haji Abdus Sattar Haji Ishaq Seth When?

Mr President When an adjournment motion of a similar type is brought up and the Chair is inclined to rule it out

Haji Abdus Sattar Haji Ishaq Seth A little latitude should be allowed with regard to "urgency' It should be allowed when a Member raises the question on the day that it is published My friend wanted to say that it is not always advisable that a Member should be asked to rush in the moment he gets the papers Sometimes we do not get our papers before eleven O'clock Such difficulties are there You have, however, given a ruling on facts

Mr President No further arguments are necessary Each case will be judged on its own facts When the point arises again about the urgency, in the circumstances mentioned by the Honourable Member I will certainly consider it sympathetically and liberally also

ELECTION TO COMMITTEE ON PUBLIC ACCOUNTS

Mr President I have to inform the Assembly that upto 12 noon on Thursday, the 20th February, 1947, the time fixed for receiving nominations for the purpose of election of four members to the Committee on Public Accounts, four nominations were received As the number of candidates is equal to the number of vacancies, I declare the following members to be duly elected to the Committee —

1 Shri Mohan Lal Saksena
2 Pandit Sri Krishna Dutt Paliwal
3 Sjt B S Hiray
4 Syed Ghulam Bhik Nairang

ELECTION TO STANDING COMMITTEE FOR LABOUR DEPARTMENT

Mr President I have to inform the Assembly that upto 12 noon on Thursday, the 20th February, 1947, the time fixed for receiving nominations for the purpose of election of one non-official member to the Standing Committee for the Department of Labour, only one nomination was received As there is only one candidate for the vacancy, I declare Mr Shah Nazar Hasan to be duly elected to the Committee

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DELHI SIKH GURDWARA AND RELIGIOUS ENDOWMENTS BILL—MESSAGE FROM THE COUNCIL OF STATE NOMINATION OF MEMBERS ON JOINT COMMITTEE ON THE

Secretary of the Assembly Sir, the following message has been received from the Council of State —

"Sir, I am directed to inform you that the Message from the Legislative Assembly to the Council of State desiring their concurrence in the Resolution recommending that the Bill to provide for the better administration of the Sikh Gurdwaras in the Delhi Province and their properties—wheresoever situate be referred to a Joint Committee of the Council of State and of the Legislative Assembly and that the Joint Committee do consist of fourteen members, was considered by the Council of State at its meeting held on the 20th February, 1947, and that the Resolution was concurred in by the Council

2 I am also to inform you that the following members of the Council of State have been nominated to serve on that Committee namely —

(1) The Honourable Sardar Baldev Singh

(2) The Honourable Lieut Colonel Sir Buta Singh

(3) The Honourable Mr R N Banerjee

(4) The Honourable Mr S K Roy Chowdhury

(5) The Honourable Brigadier Sir S Hissam ud din Bahadur

(6) The Honourable R B Sri Naram Mahtha

(7) The Honourable Sardar Bahadur Sir Sobha Singh

TRADING WITH THE ENEMY (CONTINUANCE OF EMERGENCY PROVISIONS) BILL

The Honourable Mr I I Chundrigar (Commerce Member) Sir, I beg for leave to introduce a Bill to provide for the continuance of certain provisions of the Defence of India Rules relating to the control of trading with the enemy and enemy firms and the custody of enemy property

Mr President The question is

That leave be granted to introduce a Bill to provide for the continuance of certain provisions of the Defence of India Rules relating to the control of trading with the enemy and enemy firms and the custody of enemy property "

The motion was adopted

The Honourable Mr I I Chundrigar Sir, I introduce the Bill

INDUSTRIAL DISPUTES BILL

Mr President The House will now proceed to consider the Bill to make provision for the investigation and settlement of industrial disputes and for certain other purposes as reported by the Select Committee

Miss Maniben Kara (Nominated Non-Official) On the last occasion I moved an amendment and I was speaking on it when the House adjourned

Mr President The Honourable Member may proceed

Miss Maniben Kara I would like to know whether I have moved one or both the amendments There are three in all under Clause 26

Mr President. The motion the Honourable Member has moved is

"That in sub clause (1) of clause 26 of the Bill, for the word 'fifty', the word 'ten' be substituted

An Honourable Member She has moved it already

Mr. President. She has moved it but she has to speak

Miss Maniben Kara I think this is the most objectionable clause in the whole Bill Even at this stage, I would request that the Honourable Labour Member should under the stress of the opinions expressed by the labour representatives come forward and withdraw this clause I am glad that he stated the other day that respecting the wishes of the Members of this House he would accept our amendment and withdraw a clause from his Bill Sir, I feel most strongly on this particular clause Even in the Act of 1929, which was stoutly opposed by the Congress Party and Diwan Chaman Lall who was the spokesman at the time it did not go as far as this particular clause Even in that Act, Sir, the penalty was restricted to only those essential services which were very few at that time This clause goes to the extent of penalising the workers in non essential services as well This means that the scope of the 1929 Act has been extended to the workers of all industries Certainly, Sir, I would be justified in expecting from the Honourable the Labour Member that he will not want to extend the Act of 1929 which would penalize the workers not only in essential services but workers having some dispute with private employers I would therefore once again ask the Honourable the Labour Member, even at this stage to consider the withdrawal of this clause

Now, Sir, this clause and its implications are certainly very serious They are not only serious for industrial workers alone but they are serious for the entire country because if this Bill is passed into an Act, the implication of this clause will be that a breach of civil contract will be made a penal offence This is not only a matter where the employer and the employee are concerned I would invite the attention and consideration of the Members of this House, regardless of their party or group affiliations to give very serious consideration, to this penalty clause It is an encroachment on the civil liberties of the people as a whole Today you have brought forward a Bill encroaching upon the civil liberties and rights of a particular section of society *viz*, the industrial worker but this shows the way the Government is moving If the industrial workers take it lying down, we are afraid that you may follow it up in other spheres also I give a serious warning on this occasion that a breach of civil contract is turned into a penal offence and it will be a violation of the principles of natural justice On this basic principle of the violation of natural justice every Member of this House who calls himself a democrat who stands for the civil liberties of the people, should raise his voice in opposition to this Bill After all when a worker goes to an employer and seeks a job he agrees to serve the employer on a particular salary All that the employee does is to enter into a civil contract If he does not want to continue his services with his employer he should in respect of a civil contract give a month's notice Neither Mr Joshi nor Mr Guruswami nor myself are against the giving of notice if the worker desires to withhold his labour If he does not do that by what stretch of imagination can you prosecute him for a criminal offence In the case of other workers than industrial workers would you prosecute them because they sit at home and do not go to work?

My Honourable friend Mr Joshi the other day in a very interesting manner asked a question before this House He asked "Suppose on a wintry night if two people do not want to work are you going to make their action a criminal

offence?" Let us remember that there are numerous *hartals*, people close their shops for one reason or another and they are not being penalised The general public is inconvenienced by these continuous *hartals* which have been going on and are likely to go on We are not making those *hartals* or suspension of business a criminal offence Why should the industrial workers alone be penalised if they withhold their labour? I can understand if this clause is applicable to those sections of the workers whose withholding of their labour might cause grave danger to the lives of the people But here it is a matter where a private employer and a private employee may have some difference or dispute The workers may not care to continue to lend their services The Government desire at any stage of the dispute to intervene and stop the strike If the workers do not withhold the strike you want to penalise the workers I would once again stress the point do not go fast with such Bills because you are step by step encroaching upon the civil liberties of people and we are certainly very sceptical about the other Bills which are pending before the House We feel that this National Government instead of extending civil liberties of the people is encroaching upon the few civil liberties which they enjoy at present

Mr N M Joshi (Nominated Non Official) We have an International Government—two nations united

Miss Maniben Kara I sincerely appeal to the Honourable the Labour Member not to take a lead in this matter If he brings forth Bills with clauses like this the entire discredit for taking away the civil liberties of a section of society will be on his shoulder and I will not be surprised if other Honourable Members follow in his footsteps I am sounding a note of warning that it should not happen and if it does happen we are afraid that you will be passing a legislation which the workers will not respect

You have attempted to provide for fines and for imprisonment Where are you going to recover the fines from the workers? How are you going to realise the fines from the workers? If you imprison them the workers will be better off in the prison than outside If your purpose is to tyrranise the workers by these two clauses, namely imprisonment and fine, I am sorry that that object will not be served Your object can only be achieved by bringing in such measures whereby the worker comes to his own whereby the worker is made to feel that he is an essential part in the development of the industry as a whole whereby he regains his respect and confidence, whereby the employer will look upon him as essential as his own capital, whereby he will be given the status of sitting across the table with his employer and discuss matters relating to the development of the industry That is the only way in which you can get your aim, *viz*, industrial peace The Honourable Member and myself are both in complete agreement about the object of the Bill, *viz* the industrial peace of the country The Honourable the Labour Member thinks that in order to achieve that he should have more and more repressive measures He wants to deprive the workers of their malienable right to strike by putting them into jails, by fining them and bringing in all sorts of restrictive measures I think differently I think you will get the confidence of the people by giving to them those things for which they are compelled to strike or to withhold their labour Bring in such measures first Bring in your minimum wage first Let the Unions be recognised Let the workers have proper housing conditions Let them have shorter hours of work Let there be social amenities and social clubs, old age pensions and unemployment insurance I tell you that such a Bill will be most redundant then, there will not be any need for such legislation The worker will be then self-respecting citizen of the country and they will be interested to see that industry is developed, more people get employment and the country as a whole prospers Do you really consider that the workers are not interested in the prosperity of the country? This Bill seeks to point out as if the workers are a

[Miss Maniben Kara]

destructive element It somehow shows or presupposes that the workers are a most irresponsible section of the society That is not the case with the industrial workers of the country If you look at what is happening in other countries you will realize that

The Honourable Shri Jagjivan Ram (Labour Member) Sir, is all this relevant?

Mr President. I am just watching the Honourable Member for some time as I myself feel that she is repeating the general question

Miss Maniben Kara If you look at what is happening in other countries you will see that workers have strikes A Bill like this and particularly a clause like this will be resisted very stoutly by our workers I would therefore appeal to the Honourable the Labour Member that the penalty clause should not be pressed for The punishment which is sought to be placed on the workers is a fine of Rs 50 A worker may not be earning Rs 50 If you want to fine him Rs 50 it will only mean that if he wants to avoid imprisonment he would have to go to a marwari and borrow that amount Is this your purpose? Surely this is not the purpose for which you have brought forward this legislation

My amendment seeks to reduce this Rs 50 to Rs 10 because that would satisfy your object I hope that the amendment which I have moved will be accepted by the Honourable the Labour Member

The Honourable Shri Jagjivan Ram Sir, I do not accept the amendment and I do not want to give replies to all the points that have been raised These points have been raised over and over again and I have replied to all of them

We have agreed that during the pendency of conciliation and adjudication proceedings there should be a congenial atmosphere If we are to ban a strike some deterrent provision should be there that may not incite the workers to go on strike I therefore do not accept the amendment

Mr N M Joshi Sir, I rise to support the amendment moved by my Honourable friend Miss Maniben Kara Before I speak about this amendment you will permit me, Sir, to apologize to the House for my absence from the House on the day on which this Bill was discussed previously

Shri Mohan Lal Saksena (Lucknow Division Non-Muhammadan Rural) We are extremely obliged to you

Mr N M Joshi There are some Members who welcome my absence

An Honourable Member We missed you

Mr N M Joshi Some Members may have missed me But as one who generally observes courtesy in the House it was my duty to apologize to the House after having tabled amendments to the Bill

Now, Sir, I have stated in this House several times that I am against the principle of making strikes illegal Therefore, I am naturally against penalties being imposed upon people who take part in strikes I shall not go into this question at greater length But I must state that when you punish a worker with a fine or imprisonment for going on strike you are, as I stated before, introducing a sort of servitude, a sort of slavery in this country But I shall not deal with that subject now I shall on this occasion confine myself to the amendment which has been moved regarding the amount of the fine

My Honourable friend Miss Kara has stated that in India the vast bulk of the working classes do not get Rs 50 per month as their wage In Bombay, where the wages are higher than in other places generally in the country, the average wage is not Rs 30 That was the result of an enquiry It is true that some of them get a little more dearness allowance The wages in the textile industry on an average are Rs 30 They also get dearness allowance But in other parts

of the country the wages are extremely low Even some of our railways are still paying Rs 10, 11 and 12 per month as wages The dearness allowance is given— I do not wish to misrepresent any fact Now, to fine such people Rs 50 is in my judgment very cruel As my Honourable friend Miss Kara has stated very clearly, the result of a heavy fine will be that these people will be starved Not only will they be starved but their families and children may be starved, or their indebtedness may grow It is a well known fact that in India the working classes are extremely indebted There are hardly any people among them who are not indebted If these people are fined up to Rs 50, instead of doing any service to these people or even to the public you will be doing a great wrong to the workers and not doing any good to the public also You will be throwing a large bulk of the working class population into indebtedness To add to their indebtedness is also not in the interests of the public I therefore thought that the Government of India would be more considerate in imposing fines At this stage you will permit me to say a word on the general policy of the Government of India in imposing fines They do not keep any proportion between the fines imposed upon rich men and poor men and if they do not observe any proportion, the effect of the same fine on the rich people and poor people is bound to be different In this clause the Honourable Member has imposed a fine of Rs 50 (*An Honourable Member* extending to Rs 50) Quite true It may be one rupee but the fine on an employer is only Rs 1,000 A large number of these employers lose Rs 1,000 on a game of bridge in a night What is this thousand rupees to them They are not going to be starved by asking them to pay a fine of a thousand rupees If you really wanted to make the fine deterrent, as the Honourable Member said, the fine should have been much larger Not has he not done that but under some of the clauses the fine imposed on an employer and a fine imposed on a representative of the worker or the worker himself is the same The Government of India has not given any consideration to this point and it seems to me that in their desire to make the fine a deterrent on workers they have gone to an extreme to which they should not have gone

Recently or some time back I was reading a Bill introduced by the Bombay Government There the first fine proposed to be imposed is Rs 10 I am not suggesting that Rs 10 is not a heavy fine but in any case the Bombay Government have shown some consideration in imposing the first fine of Rs 10 It is true that they have also suggested some additional fine for continuing the strike but in any case they have shown some appreciation and understanding of the difficulties of the working classes in the matter of finding the money to pay these fines The Honourable Member said he wanted a deterrent punishment I do not know whether this will act as a deterrent or not As my Honourable friend Miss Maniben Kara has stated very clearly, the large body of workmen in this country do not get as much to eat as they would get as a jail ration Therefore your idea of the punishment being deterrent is a wrong one What can stop strikes is not these fines but better treatment of the working classes I therefore support this amendment and hope that the Government of India will accept this

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

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The Assembly re-assembled after Lunch at Quarter Past Two of the Clock, Mr President (The Honourable Mr G V Mavalankar) in the Chair

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Mr President: I will now put the amendment The question is

"That in sub clause (1) of clause 26 of the Bill, for the word 'fifty', the word 'ten' be substituted"

The motion was negatived.

Mr President We will now take first the amendment of the Honourable Mr S C Joshi for deleting the proviso

Mr S C Joshi (Government of India Nominated Official) Sir, I move "That the proviso to sub-clause (1) of clause 26 of the Bill be omitted"

Mr. N M Joshi Sir, I would like to ask for your guidance Our amendment is that certain words in that proviso be omitted If the amendment moved just now by Mr S C Joshi is carried, I would not like you to say afterwards that there is no scope for moving my amendment

Mr President In fact, I am taking first the amendment of Mr S C Joshi to see whether the Honourable Member's amendment stands or falls through If this amendment is carried, automatically the Honourable Member's amendment falls through

Mr N M Joshi I would like to explain to you how I may not have a chance Mr S C Joshi's amendment is to omit the proviso That is a sort of consequential amendment But my amendment is both consequential and also it makes a substantial amendment His object is only to remove the proviso, but my object is a little more I do not want the proviso to be removed, I want it to be modified I shall require your permission in that case to move an amendment that the entire proviso be added to the Bill because my amendment does much more than what is sought by Mr S C Joshi's amendment What I am seeking is that by this proviso people who merely go on strike, not only political strikes but other strikes as well, should not be penalised The present proviso is that people who go on a political strike should not be penalised Now, political strikes having been removed, that proviso is unnecessary That is quite natural What I am seeking is that even those who do not take part in the political strike but take part in another strike should not be penalised

Mr President What the Honourable Member presumably wants is that he wishes to oppose the proviso as it stands, he wants to have it amended

Mr N M Joshi Yes, I want to have it amended

Mr President Apart from the difficulty of merits, the proviso then becomes contradictory If the words that he proposes to drop are deleted, the proviso becomes a contradiction to some extent to the original clause But that is a different matter and I do not propose to enter into the merits of it If the Honourable Member wants to have an opportunity of having his say, all that I can do is, to permit him to move his amendment after this amendment has been moved, so that he can both oppose the proviso as it stands and oppose the deletion if he so wishes and then support his amendment But I shall not be able to put it to the vote in case Mr S C Joshi's amendment is carried

Mr N M Joshi This is only a technical matter I am not likely to carry my amendment I want to move it only as a matter of parliamentary right

Mr President Therefore, I will allow the Honourable Member to move it at the same time

Mr S C Joshi Sir, I need not state in detail the reason for moving my amendment My Honourable friend Mr N M Joshi has already stated the reason very clearly, namely, that the deletion is only consequential to the decision that this House has taken in regard to part (iii) of sub-clause (1) of clause 24 This proviso aimed at safeguarding the workers who went on political strikes The clause relating to the political strikes has been deleted and there is nothing in that clause which affords safeguards for protecting the workmen who went on such a strike That is the object of my amendment Sir, I move

Mr President Amendment moved

"That the proviso to sub clause (1) of clause 26 of the Bill be omitted"

Mr N M Joshi I may be permitted to move another amendment for the omission of the words which is not in furtherance of an industrial dispute I want a proviso but it should be a modified proviso Therefore, that amendment may be made even after his amendment fails His amendment is for the omission of the proviso My amendment is for inserting a proviso which is slightly different from the original proviso

Sir Cowasjee Jehangir (Nominated Non Official) May I point out, Sir, that what you said originally is the correct procedure An amendment is moved to omit a certain portion of the Bill There may be half a dozen other amendments to amend that portion, but if the House accepts the omission of that portion, no amendment that seeks to amend that portion which has been deleted can be moved Therefore, you have to put this amendment first The fate of all those amendments that follow on this proviso will depend upon the wishes of this House with regard to this proviso That is the plain and simple procedure and you cannot get round it in any way

Mr President I think the point is quite clear After the amendment to delete the clause is carried, no other amendment to delete any portion of the clause can be permitted afterwards, including an amendment to insert a proviso substantially in the same terms

Mr N M Joshi Mine is in different terms

Mr President It may be different In order to avoid that difficulty, namely that the Honourable Member will not then be in a position to put in that proviso, part of which has been deleted by the House, I am willing to allow the Honourable Member to move his amendment to the clause at this stage, without agreeing to put that amendment to the vote first, so that he may speak on both aspects and I shall first put the amendment to delete the clause If the House carries that amendment, then I shall not put any other amendment, though moved in the House I might invite the attention of Honourable Members that there is always going to be a repetition of the same argument, over and over again

Mr N M Joshi We have no desire to repeat arguments

Mr President In spite of desires, I do find that arguments are being repeated They should be as short as possible and to the point

Mr N M Joshi Then shall I move my amendment as an amendment to his amendment

Mr President The amendment should be in the following form

To Mr S C Joshi's amendment the following be added

'except the words "provided that no workman shall be deemed to have committed an offence under this sub section by reason only of his having joined an illegal strike" ' "

Mr N M Joshi Sir, I beg to move

"That to Mr S C Joshi's amendment to sub clause (1) of clause 26 of the Bill the following be added

'except the words "Provided that no workman shall be deemed to have committed an offence under this sub section by reason only of his having joined an illegal strike" ' "

Sir, my Honourable friend Mr S C Joshi's amendment is consequential to the one the House accepted, namely to take away the caluse which made political strikes illegal This proviso which deals with political strikes is not necessary Now what my amendment seeks to do is that not only in political strikes but even in ordinary industrial disputes, a workman who merely joins the strike should not be penalised The original clause reads thus

"Any workman who commences continues or otherwise acts in furtherance of, a strike which is illegal under this Act shall be punishable "

[Mr N M Joshi]

Now, Sir, the proviso had stated that a workman who merely joins a strike who does not do anything more than joining a strike, who does not incite any one else to join the strike, who does not himself take any other constructive part in bringing about a strike or for the continuance of the strike should not be punished Now, Sir, the object of putting the original proviso was that in the case of people who merely join the strike, they may be persuaded to join the strike by some others either by misrepresentation or by some sort of force or perhaps by their own conviction The legislature in 1929 thought that such persons should not be penalised That is, people who take active part may be penalised but people who merely join the strike by remaining absent and who do not do anything more should not be punished During the discussion of this Bill some of our colleagues said that it is not the fault of the working classes if there are these strikes, but they feel that it is the leaders who create these strikes and really speaking these strikes, in their judgment are not wanted by the workers themselves, but that the strikes are fomented by leaders Whether this is a fact or not, I am prepared to admit that the part played by a leader is a much larger part, more important part than the part which an ordinary workman plays by remaining absent I am prepared to admit that Therefore, although I am not in favour of penalising even those people who incite strike or who lead a strike, I am prepared to accept the position that the leader must be punished He is responsible for the strike But a workman, who, as was said by many others, is misled by leaders, who is the victim of misrepresentation should not be punished in my judgment If you feel that strikes are fomented by leaders, it is not right for you to punish the victims of misrepresentation or punish the victims of exploitation by others, or punish the victims of intimidation by others or punish the victims of force used by others, to join the strike I am quite sure you will agree with me and many Honourable Members who have an open mind will agree with me that to punish a victim of misrepresentation to punish a victim of intimidation, to punish a victim of force is a wrong thing You may say that these people were weak and therefore they allowed themselves to be intimidated, they allowed themselves to be forced into a strike You can punish the man who intimidates or who uses force, but I cannot understand any law by which not only the intimidator but the victims of intimidation are punished It is on account of this that I am opposed to the punishment of people who merely join a strike It is true there may be workers who are not intimidated and yet they join the strike because they consider that joining a strike is a good thing But even if they join by conviction, in my judgment their part is so small that they should not be punished I would refer to what some of the Honourable Member here said regarding strikes, that strikes are not wanted by the workers, that they are fomented by leaders If that is their view, then they should support my amendment

Then there is another argument, I do not want people who merely join a strike to be punished I explained in the very beginning of this discussion that we and Government should do all in our power to make people respect the law I think it is a dangerous policy either for us the citizens or for Government to foster a spirit in favour of breaking the law I want citizens of this country to obey and respect the law, but if you make a law which can never be enforced you only foster a spirit of lawlessness And I am against that spirit I said previously that I am not a revolutionary - My Honourable friend Miss Kara said she was a revolutionary But whatever the present Members of the Government of India may have said before about their being revolutionaries I take it that today they are not so Therefore I suggest that they should not pass laws which by not being enforced will foster a spirit of lawlessness Let us

see what is happening in the country just now In Bombay there is a Labour Minister who like myself is against illegal strikes because they foster a lawless and revolutionary spirit But what happens is that there is a law which cannot be enforced In Bombay there were many illegal strikes, the Minister found that he could not put all these people in jail, with the result that he said that though he did not like illegal strikes he had to tolerate them Again, only a few days ago I referred to the helplessness of the Labour Minister in Cawnpore There was a big strike there which the Minister said was an illegal strike, but he had to look on helplessly because he could not put all these thirty or forty thousand people in jail In my opinion such action fosters a spirit of lawlessness because the workers feel that Government are helpless against them Last week and this week I was in Calcutta where there are strikes of dock and tram workers Only the day before yesterday I attended in the afternoon a meeting of tramway workers Only that morning the Government of Bengal had issued a statement saying that the strike was illegal and in the interest of the public the workers were warned not to remain on strike, etc I was invited to the meeting and I was wondering whether there would be disturbances and the police would come and arrest the people there But the tramway workers insisted on my going and so I went The police were outside and the meeting went on very well in spite of the Government of Bengal declaring it an illegal strike The strike is not yet settled in spite of the threat of the Minister that it was against the interest of the public and so on Now, Sir, if a Minister issues a statement in the morning and the workers in defiance of that statement hold a big demonstration with the police standing helplessly outside, you do not promote respect for the law but only a spirit of lawlessness I suggest that if you pass a law which cannot be enforced and can be defied it is much better not to pass it When those who passed the Act of 1929 made political strikes illegal they made the proviso that if there was a political strike all over the country and masses of people joined it one who merely joined it and did nothing more should not be punished but the leaders would be punished It is for that reason that I ask the Government of India in their own interest to accept my amendment It is for that reason that the Royal Commission on Labour suggested that this method of compulsory arbitration and making strikes illegal is not likely to be of much use That aspect was considered and accepted in the 1929 Act and also in the British legislation They also found that if thousands of people go on strike there were not enough jails to put all of them in

An Honourable Member Then why worry?

Mr N M Joshi I worry because I am not a revolutionary and I do not want to foster a spirit of lawlessness Unfortunately my friends opposite believe in lawlessness and in revolution But I am against it and therefore I am against this clause I do not like a workman who merely joins a strike to be punished because he may be only a victim of intimidation That is one reason the second reason is that it is impossible to punish him and so you should not attempt it It will only foster a spirit of disobedience to law I therefore request the House to accept my amendment

Mr President Amendment to amendment moved

"That to Mr S C Joshi's amendment to sub clause (1) of clause 26 of the Bill the following be added

'except the words Provided that no workman shall be deemed to have committed an offence under this sub section by reason only of his having joined an illegal strike'"

Mr C Joshi I do not accept that amendment because the result will be that the whole clause will become meaningless In sub clause (1) of clause 26 it is provided that

"Any workman who commences continues or otherwise acts in furtherance of, a strike which is illegal under this Act shall be punishable

whereas we say here that

"no workman shall be deemed to have committed an offence under this sub section by reason only of his having joined an illegal strike"

[Mr S C Joshi]

The reason given by my Honourable friend, Mr N M Joshi, that those who are instigators or who incite others to take part in the strike should be penalized is covered by clause 27 Therefore, it is not possible for me to accept the amendment moved by Mr N M Joshi

Mr President I will first put to the House the amendment to the amendment The question is

That to Mr S C Joshi's amendment to sub-clause (1) of clause 26 of the Bill the following be added

except the words Provided that no workman shall be deemed to have committed an offence under this sub-section by reason only of his having joined an illegal strike

The motion was negatived

Mr President I now put the amendment to the House The question is

'That the proviso to sub-clause (1) of clause 26 of the Bill be omitted'

The motion was adopted

Mr President The question is

'That clause 26 as amended stand part of the Bill

The motion was adopted

Clause 26 as amended, was added to the Bill

Mr President Clause 27

Pundit Thakur Das Bhargava (Ambala Division Non-Muhammadan) With your permission, I would like to move a part of this amendment only,

That in clause 27 of the Bill between the words illegal and 'under the following words be inserted, namely —

and which he knows to be illegal'

I want to delete the words or has reason to believe from my amendment

You will be pleased to see that in clause 25 of the Bill the Honourable the Labour Member has agreed to add the word knowingly Now clause 25 reads thus

No person shall expend or apply any money in direct furtherance or support of any illegal strike or lock-out

If you kindly see clause 28 it would follow that whereas clause 25 speaks of a positive provision of law prohibiting people from expending money in a particular manner, clause 28 seeks to penalise

Miss Maniben Kara I think the Honourable Member is talking on clause 28 but we have an amendment on clause 27

Mr President He has moved an amendment in respect of clause 27 and he is speaking with reference to his amendment

Pundit Thakur Das Bhargava When I was speaking of clause 28 I only wished to point out that clause 27 and clause 28 are two facets of the same proposition In clause 27 you speak of cognate activities while both may come under the heading abetment In clause 28 the words 'knowingly' has practically been admitted to be necessary by the Honourable the Labour Member I presume therefore, that the words 'and which he knows to be illegal' are as necessary in this clause as in clause 28 As I have submitted, since the word knowingly has been inserted in clause 25 by virtue of an amendment, in clause 28 the requirement of this word should be deemed to have been admitted, and logically it would follow that if they are proper in clause 28 they are all the more proper in clause 27 So the House stands committed to the principle that the prosecution must in each case prove that the strike is not only illegal but the strike should be proved to have been known to be illegal Therefore I am submitting that since the House has accepted this principle it is a logical and

consequential amendment which I have proposed and the House will be pleased to accept it

The reason why the Honourable the Labour Member has accepted this amendment is also clear In clause 20 any innocent person can be caught in the clutches of law if the word knowingly is not there It is an accepted principle of criminal law that unless the mind is guilty, no offence is committed For instance, if a person kills a human being under the belief that he is only killing a ghost he is not guilty If I go to anybody's house and I find a book there resembling mine and I remove it from there, thinking that it belongs to me, I am not guilty of having committed a theft

The Honourable Shri Jagjivan Ram But you have to prove it

Pundit Thakur Das Bhargava The man who wants to deprive me of my liberty has to prove it In a Court of Law the onus of proof never changes, it always lies on the prosecution I am surprised to hear that the accused has to prove that As a matter of fact every lawyer knows that it is the bounden duty of the prosecution to prove the *mens rea* in a case of this nature A strike is illegal not by virtue of any act of a person participating in such a strike but by an act of the Government, unless Government makes a strike illegal in an industrial establishment, the strike is not illegal Unless the Government appoints a tribunal or a Board and it commences work the strike does not become illegal according to section 23 Now the strikers and the Government must conspire or must agree to make a strike illegal such strikes have been newly constituted into an offence In the old Trade Disputes Act such a provision did not exist Now as soon as the Government appoints a Board of Conciliation or a Tribunal and after it has commenced the work if any person begins or continues to strike then he is guilty Otherwise before such a contingency arises any person may strike in an industrial establishment and his act will be quite innocent This is the position now So in respect of industrial strikes in ordinary industrial establishments it is clear that the Government is a party to the strike If the Government do not choose to appoint a Board or Tribunal there will be no illegal strike May I ask how these orders will be passed by the Government? The Government will pass the order of appointment in the Chamber of the appropriate Government and there is no provision in this Bill for the publication of that order An order may be published in the Government Gazette—we do not know what the rules will be—but I presume that the order will be published in the Gazette This will not be sufficient publication for presuming knowledge Any person who wants to help his brothers—the labourer—will not know that the Government has appointed a Board or has appointed a Tribunal Those labourers may come to know that a Board has been appointed but those who want to help them and help them sincerely—I am not speaking of those leaders who foment trouble, I am speaking of those whose duty it is to help the labourers in the belief that those who are helpless and weak should be helped—they will never come to know that as a matter of fact a tribunal has been appointed or a Board of Conciliation has been appointed For such persons unless and until the prosecution proves that they are helping an illegal strike such an offence if made by the law will be in contravention of the accepted principles of jurisprudence Now, Sir, this is not all If you look at the provisions of section 22 you will be pleased to find that there also in a public utility concern an ordinary strike becomes illegal if there is absence of notice or that 14 days are not allowed to pass before a strike begins or it takes place after the Conciliation Officer commences his work There again the law has been changed Previously any person who did not give notice became guilty under section 14 of the Trades Disputes Act whereas now the law is changed in so far that clause 4 of section 22 states that notice of a strike shall be given by such number of persons to such person or persons and in such manner as may be prescribed Clause 38 speaks of the manner in which the Government

[Pundit Thakur Das Bhargava]

is competent to make rules and the manner in which and the persons by and to whom the notice of strike or lock out may be given and the manner in which the notice shall be communicated The House is aware that the Railway Act prescribes certain notices before an action is brought If a notice by registered post is required an ordinary postal notice will not be sufficient If a registered acknowledgment form notice is required an ordinary registered notice will not be sufficient So also the Government can provide that a registered notice with acknowledgment due will be necessary or unless 50 persons or a certain percentage give notice such notice will not be legal In all these matters it would appear that any person, any right-minded person, any philanthropist, any social worker, any man interested in labour, and any person who wants to help labour when the labourers inform that they have given notice, will have to find out from the records of the Government that the notice is legal Suppose twenty sweepers came to an M L A and said that some person some Secretary, Executive officer or overseer who was in charge of them is guilty of tyranny towards them He wants them to perform *begar* He asks them to do things which they are not bound to do under the law and the M L A is informed that they have given notice and further that the necessary number of persons has given notice and he helps them by money, advice and by writing articles in the papers I do think that under the provision of this law, however right-minded that man may be, he will be guilty I do not know much about the conditions of factory labour I know this much that in the definition of public utility service the law has included any system of public conservancy or sanitation, also, and in a small town some sweepers may go on strike and some people in sympathy with them may want to help them They will be in difficulty It shall be for those who help them to find out if the strike is legal and then they will be able to help them This is not the correct way in which the law should be enacted I submit that the burden of proving that a strike is illegal and that it is known to be illegal, is on the prosecution and the prosecution must accept that duty I have no sympathy with those who foment strikes unnecessarily But in many cases these gentlemen also perform a public duty in this sense that they arouse the latent consciousness of their rights among the labourers In so far they perform a public service With such of them as foment strikes, for their own selfish gain I have no sympathy They are clever people and will elude law and those who will be enmeshed in the law will be in many cases innocent people Now, I will give you another example These words in section 27 are very ambiguous "Any person who instigates or incites others to take part in " I am very suspicious of the words 'any person" They include "workmen' also What is a strike by its nature? A man alone cannot be guilty of any strike The consensus of two or more persons must be there so that a strike may come into being If two or five persons combine, according to the definition of strike in the Bill, they must cease work and they must act concertedly Now the persons who want to go on strike are bound to come to their fellow workers and tell them that they must cease work for the same reason for which they themselves are stopping work

Pandit Balkrishna Sharma (Cities of the United Provinces Non-Muhammadan Urban) Illegal strike or any strike?

Pundit Thakur Das Bhargava: I am coming to an illegal strike Any person who joins another and asks him not to do work will come under Section 27 if the strike is as a matter of fact illegal, though he does or does not know exactly that it is illegal In the Trades Disputes Bill under section 17 there was a proviso which ran

3 P M

"Provided that no person shall be deemed to have committed an offence under this section by reason only of his having ceased work or refused to continue to work or to accept employment."

That proviso is not found here My own opinion is that the strikers themselves who ask others to strike and if the strike is illegal will come under the

mischief of this rule and under Section 26 the punishment is one month and Rs 50 whereas in the present rule it is six months and Rs 1,000 fine Previously under the corresponding section the punishment was only three months or Rs 200 fine

Mr. S. C. Joshi. That was in connection with political strikes

Pundit Thakur Das Bhargava. That was in connection with political strikes but now you are making ordinary strikes illegal You are extending the law You must therefore see that its tentacles are not so wide You yourself say in section 25 that no person shall knowingly do it Will you say it in section 28 that even if you do it unknowingly you are guilty? Unless a person knows he is doing something wrong, he should not be held guilty I do not think that a person will be guilty unless he knows that he has done wrong If a friend of mine puts a hundred rupee stolen note in my pocket, will I be guilty of receiving stolen property unless I knew of it?

It may be that a strike that is to all appearances quite legal may be in fact illegal on account of the technical difficulties which I have just pointed out to you and such a strike if illegal may not be known to be illegal and it can involve many innocent persons If the Government provides that an illegal strike is notoriously made public so that every one comes to know that it is illegal those persons who join such a strike may certainly be punished

I shall make one more remark In ordinary legislation such safeguards for the ordinary accused should not be taken away from those for whom the offence will be quite new and who will be persons who will not be doing anything illegal In an ordinary case under the provisions of the Indian Penal Code under section 96, a person has a right to defend his own body, the body of his neighbour and the body of all persons Under the ordinary provisions of strikes, a person has a right to defend the economic interests of himself, fellow labourers and other persons in the society If the employers tyrannise over labourers, what should the ordinary man do? It is one's duty to help the labourers in that contingency and it should not be made an offence for anyone to help them without his knowing that by so doing he is committing a wrong I therefore submit with all the emphasis that I can command that the words "and which he knows to be illegal" should be inserted in clause 27

Mr President Amendment moved

'That in clause 27 of the Bill between the words 'illegal' and 'under' the following words be inserted, namely —

'and which he knows to be illegal' "

Miss Maniben Kara Sir, I rise to support the amendment which my Honourable friend has moved It really gladdens my heart to see that there are persons in the Congress camp who dare judge questions on their own merits and are not prepared to Ditto every bill which comes from the Treasury Benches

The last speaker has explained and advanced arguments in a much abler manner than what a lay person like me can do He being a lawyer has been able to grasp the arguments that were advanced by the representatives of labour to show how the whole Bill is defective, how it is an encroachment upon the civil liberties of the people and how it tries to turn a breach of a civil contract into a criminal offence

Mr President The Honourable Member is going over the whole ground again The question here is, if a strike is declared illegal it is for the prosecution to prove that the person who is alleged to have joined the strike knew that it was illegal before he is held responsible

Miss Maniben Kara For the information of the previous speaker I would say that a strike is declared illegal, not only when it is referred to a board of conciliation, but even when a strike takes place without notice, it is illegal. When a strike takes place during the pendency of the award it is illegal In

[Miss Mamben Kara]

such cases the workers are not likely to know whether the strike is legal or illegal When the award is in operation the workers are not supposed to go on strike The award may last for a year or two and if the workers within that period go on strike, according to the clause as it stands those people will be committing an offence if they strike The last speaker rightly pointed out that ignorance is not a crime In our country the workers are not literate They cannot read or write and they are not likely to know whether a strike is legal or illegal In that case we cannot make it an offence if workers abstain from work, because they may not know whether it was legal or illegal, to do so It would be a great injustice to those workers to penalise them for their ignorence I therefore support the amendment moved by the last speaker and I hope that his colleagues will also support the amendment which has been moved and also the Honourable the Labour Member will accept it

Sjt N V Gadgil (Bombay Central Division Non Muhammadan Rural) The cases contemplated under clause 25 are the cases of those who merely contribute out of sympathy for the strike Clause 27 contemplates a person who instigates or incites others to take part or otherwise acts in furtherance of a strike or a lock out The class of persons contemplated in clause 27 is altogether different from the class of persons contemplated in clause 25 The very words instigate or incite clearly show that the persons who are contemplated are not persons who are mere sympathisers nor indeed are workers, because, workers are already in it and if the workers are already in it they know that the strike is illegal

Honourable Pundit Thakurdas Bhargava wants to protect those who innocently help strikes The very use of the words instigates or incites shows that the person contemplated is really not one who merely shows sympathy The persons who are contemplated are dabblers, active mischiefmongers and to insist that knowledge of the particular strike having been declared illegal must be proved by the prosecution is to put a premium on their further mischief The fact that they dabble throws the responsibility on them to know what they are doing and if something like what is suggested in the amendment is incorporated the very object of this clause will be frustrated

Mr President. May I point out one thing, though it is not my function directly Is the class of persons contemplated by clause 25 of this Bill not governed by the words "otherwise acts in furtherance of a strike or lock out"

Mr S C Joshi That is provided in clause 28 The penalty for those who act under clause 25 is specifically provided in clause 28

Sjt N V Gadgil The words 'otherwise acts in furtherance' do not mean something different from what goes before that clause, *viz*, 'instigates or incites' or something which is akin to it, something which is consistent with instigation or incitement

Mr President Is the Honourable Member sure that the only construction of these words will be *Ejusdem generis* construction'

Sjt N V Gadgil As far as I am able to see, it is so

Mr S C Joshi Sir the general principles which my Honourable friend has enunciated are quite true The original amendment which he gave notice of is 'and which he knows or has reason to believe to be illegal' The amendment which he has now moved namely 'and which he knows to be illegal' is more restricted No doubt the doctrine of *Mens Rea* which he so very ably propounded is a good doctrine in the interest of all people who are accused of any offence Certainly in this country that doctrine has no application as such unless it is specifically mentioned in the definition of an offence Here it is really intended not to include that doctrine not to make that doctrine as the basis of a prosecution or an offence It may be that the intention of the Honourable Member who moved the amendment is to protect people of the

type of M L A s, who act in the best interests of the workers But is not their duty also to see, before they try to help the poor workers in their fight for the improvement of their conditions, to make enquiries of the circumstances under which they are either going on strike or have gone on strike It help is to be given, the help should be with a view to telling the people that they should not commit illegal acts No body should excite, incite or instigate them either to continue the illegal strike or to go on an illegal strike If they deliberately do that, then they should suffer the consequences

Pundit Thakur Das Bhargava My Honourable friend is rather supporting my point

Mr S C Joshi The fact that they are helping them shows that they have made the enquiries and are satisfied But if they start helping them without making the enquiries, then it is their fault Before trying to help people and asking them to continue the strike or to go on strike it is necessary for such people to make enquiries into the circumstances under which they are going on strike What will happen is this Many people will with impunity, go on strike denying the fact that they had knowledge of the illegality of the strike It will not therefore be possible to accept the amendment

Mr N M Joshi I wish only to make one or two remarks My Honourable friend Mr S C Joshi admitted that the principle of jurisprudence, which was enunciated by Mr Thakur Das Bhargava who is an old and very respected friend of mine, is a good one but he said that it did not apply to India

Mr President He did not say that that principle did not apply to India

Mr N M Joshi I thought he said that it did not apply here I do not catch him very clearly from here If he has not said that I need not deal with that aspect

He goes on saying that people should make enquiries before they do anything Certainly, that may be true to some extent if they want to help people in a wrong manner But strike is not a wrong thing You make strike illegal on account of certain circumstances It is not naturally a wrong thing To abstain from going to work is not a wrong thing like theft In the case of thefts you may say that Therefore in my judgment it is for the prosecution or Government to prove that a man had knowledge that he was helping an illegal strike Ordinarily it is not possible for people to know that a strike is illegal I therefore hope that the Government of India will not be vindictive against people who have a good object at heart namely of helping people who are generally exploited by others I think it is a very sound instinct to come to the help of people who are helpless You should not suppress a sound instinct by making him prove that he did not have knowledge of the illegality of the strike I think the prosecution should prove that he had knowledge that he was helping an illegal strike I again wish to say that I was very pleasantly surprised to find that at least there is one member in the Congress Party who has the courage of his conviction

Mr President The question is

"That in clause 27 of the Bill between the words 'illegal' and 'under' the following words be inserted namely —

'and which he knows to be illegal'

The motion was negatived

Miss Maniben Kara Sir I move

"That in clause 27 of the Bill—

(i) for the words 'six months' the words '*one month*' be substituted

(ii) between the words 'thousand rupees' and 'or with both' the following be inserted namely —

'in the case of an employer and rupees fifty in the case of others' "

[Miss Maniben Kara]

Sir, we have discussed at length on this particular clause while discussing the amendment of the last speaker My amendment only says that in a clause like this, where the workers may not even know about the legality or the illegality of the strike, the punishment should not be so severe The punishment of six months is really too much for a person who is convicted for an offence which he did not know He may ask his fellow workers to abstain from work not knowing that it is an illegal strike It will be quite wrong to send a person in that position to jail for six months

Mr S C Joshi just now pointed out that when a person goes out of his way and advises people, he should have all the knowledge about what he is advising But the fact is, that a worker knows only one thing when he asks the other workers to withhold labour and that is, that the conditions under which he is working are not satisfactory He is guided to act by the difficulty to which he has been subjected He does not bother to find out whether it is legal or illegal to ask a person not to work The criterion for his advice, will be the condition of work, and not, what view the Government will take of his action When he goes to advice his fellow workers he is naturally guided to judge a thing on its own merits He is not guided by what a third party will think about it This clause says that it will be an offence if he goes and advises a man to react to the natural conditions of his life There are persons who are lacking in moral courage They will not act by themselves and to act in consultation with each other may amount to instigation For this reason I think the punishment of six months jail is too severe a punishment for an innocent act like the one which I have stated

The second part of the amendment may appear to be partial to the worker as against the employer I do not want to repeat the arguments used previously, but it is a known thing that you cannot put the employer and the worker on the same footing A thousand rupees may not mean anything to an employer while Rs 10 will be a burden to a worker In this Bill the fine and imprisonment are equal to the worker and the employer Employers are educated people, they govern the lives of thousands of people and any offence they commit is done with full knowledge Hence in their case there is no justification whatever for their crimes The workers are not educated They do not know what laws are in force and it is unjust to put them on the same level I can understand a Bill of this kind coming from other members but this comes from the Labour Member and it distresses me to find that he has put labour and capital on an equal footing I hope the Labour Member will appreciate the spirit in which I have moved this amendment and accept it

Mr President Amendment moved

That in clause 27 of the Bill—

(i) for the words 'six months', the words 'one month' be substituted,

(ii) between the words 'thousand rupees' and 'or with both', the following be inserted, namely —

'in the case of an employer and rupees fifty in the case of others'

The Honourable Shri Jagjivan Ram Sir I do not accept the amendment

Mr N M Joshi I rise to support the amendment From the speech of the Honourable the Labour Member which he made two minutes ago his object in putting 6 months imprisonment is that it should be deterrent I do not know whether the Honourable Member remembers the history of the Congress and whether six months imprisonment imposed was a very great deterrent

The Honourable Shri Jagjivan Ram We have experience of that

Mr N M Joshi That is exactly what I am stating I do not think the Honourable Member is doing justice to the other Congressmen who were not

deterred by even ten years imprisonment He tells me that he has experience I have known better Congressmen who were not deterred by even much longer punishment

The Honourable Shri Jagjivan Ram You have understood otherwise They knew the consequences

Mr N M Joshi But they were not deterred When men fight for a great cause they are not deterred by your punishments Congressmen were not deterred by long imprisonments When a worker fights for his livelihood or even something higher than that, he will not be deterred by your six months imprisonment What you have to see is whether the punishment is just Personally I am not a believer in the jail system If I become the Government, I would not have any jails (*An Honourable Member* How many months will deter you?) We will consider that The world is not yet come to that stage This six months is too long for the kind of offence we are considering

Then I do not believe in this system of fining also I want to bring to the notice of the Government that they have not given proper thought to this legislation It is a hasty legislation You are proposing the same fine for an employer and a man who is hundred times poorer than the employer It only means that you had no time to think over the measure you are proposing The present Bill is a hastily drafted, badly conceived Bill I say that Government should give up the attempt or at least accept the amendment which we have proposed

Sardar Sampuran Singh (West Punjab Sikh) I feel that when Mr Joshi and Miss Maniben Kara proposed this amendment they did not really appreciate the way in which such enactments are applied by law courts Assume for the sake of argument that the arguments they have advanced are correct Even then we know that these differences are appreciated by the law courts when giving sentences They may give a fine of a thousand rupees to a rich capitalist and only Rs 5 for a poor man I think no invidious distinctions can be made in enactments The law should look just to everybody but in its application the law courts will differentiate between a rich man and a poor man when giving a sentence of fine And in the same way they will differentiate between the position of different men when giving them a sentence of imprisonment To a rich man they may give a fine of Rs 1,000 and perhaps one days' imprisonment and to a poor man they may give 10 days' imprisonment and perhaps a fine of one or two rupees So I think this amendment is altogether unnecessary The spirit of moving the amendment may be quite correct, but there is no necessity for pressing it and I hope the amendment will be withdrawn

Mr President The question is

That in clause 27 of the Bill—

(i) for the words 'six months' the words 'one month be substituted

(ii) between the words 'thousand rupees' and 'or with both' the following be inserted, namely —

'in the case of an employer and rupees fifty in the case of others' '

The motion was negatived

Mr President The question is

"That clause 27 stand part of the Bill

The motion was adopted

Clause 27 was added to the Bill

Pundit Thakur Das Bhargava Sir, with your permission I beg to move

"That in clause 28 of the Bill after the words 'Any person who' and before the words 'expends or applies' the word knowingly' be inserted '

Sir, in moving this amendment I am assured that the Honourable the Labour Member will be pleased to accept as it flows logically from clause 25 but I

[Pandit Thakur Das Bhargava]

cannot restrain myself from pointing out that you were pleased to explain to the House that the words otherwise acts in furtherance of were susceptible of a meaning which was not in line with the words instigates or incites Here the words are expends or applies any money in direct furtherance or support of an illegal strike or lock out , so that here there is a safeguard in the word direct Any person who spends money in direct furtherance means that he has got some knowledge and it is not only furtherance but direct furtherance The reasons for accepting this amendment are not so strong as those which were submitted in connection with clause 27 Still I am glad that the principle has been accepted by the Honourable the Labour Member and I move it

Mr President Amendment moved

'That in clause 28 of the Bill after the words Any person who and before the words 'expends or applies' the word knowingly be inserted

The Honourable Shri Jagjivan Ram Sir I accept the amendment

Mr President The question is

'That in clause 28 of the Bill after the words Any person who and before the words 'expends or applies' the word 'knowingly be inserted

The motion was adopted

Miss Maniben Kara Sir I move

'That in clause 28 of the Bill –

(i) for the words six months the words one month be substituted and

(ii) for the words one thousand the word ten be substituted

Mr President I do not think any further speech is necessary on this amendment as the matter has already been argued I will put the motion to the House

The question is

' That in clause 28 of the Bill—

(i) for the words six months the words one month be substituted and

(ii) for the words 'one thousand the word ten be substituted

The motion was negatived

Mr President The question is

'That clause 28 as amended stand part of the Bill

The motion was adopted

Clause 28 as amended was added to the Bill

Mr N M Joshi Sir I move

That in clause 29 of the Bill for the word person the word employer be substituted

The object of clause 29 of the Bill is that when a settlement is arrived at between the two parties, that settlement should be respected That is to say, if an employer by settlement agrees to pay wages at a particular rate or to run his factory for a particular number of hours, he should not break that settlement So when a settlement is agreed to or when a settlement is imposed by an award of a court the settlement should be adhered to When we consider the question of a settlement being adhered to, we should also consider what each party is expected to do In the case of an employer who has the whole management of a particular industrial concern in his hands, most of the things are to be done by him For instance, if wages are fixed at a particular rate it is for the employer to pay that particular rate of wages It is not for an employee to put his hand into the cash box of the employer and take the money Similarly, if a factory is to be run for a particular number of hours it is for the employer to so run it I feel that ordinarily it is for the

employer to take all the positive steps that are to be taken in compliance with a settlement which is binding upon both. Therefore, a clause like this has been found necessary perhaps in a legislation of this kind, that an employer should be expected to carry out all the things mentioned in the settlement because he is the man to carry it out. I have therefore, suggested that instead of the word person the word employer should be substituted.

Now, Sir, it may be said that it is a settlement between the workers and the employers and both parties have to carry out the terms of the settlement. But there is a fundamental difference between the position of an employer and the position of an employee. So far as the employee is concerned, what can he do generally to honour the terms of the settlement? I think there is hardly anything which is in his hands. Under the capitalistic system, the whole undertaking is run by the capitalist. What is in the hands of the employee is one thing that is he does not work. That is the one thing in the hands of the employee as regards the observance of the terms of a settlement. Mr. President, this is the fundamental difference between the two. Provision is necessary making it obligatory upon an employer to observe the terms of the settlement and in some legislation some such clauses are inserted. But in the case of an employee, there is a fundamental difference. It is this. It is the principle of sound public policy that you should not compel any man to work against his wishes. That is the principle of human freedom. I would like Honourable Members to consider what Constitutes slavery? What does slavery mean? It means that a human being is made to work against his wishes. It is true sometimes a slave in order to be driven to work is whipped. Sometimes a human being is sent to jail in order that he should be made to work. Sometimes, he is fined in order that he should be made to work. But when a human being is compelled to work either by being whipped or either by being sent to jail or either by being fined, *it is wrong in principle. It is a form of slavery.* It is servitude it is forced labour. These are different words for the same idea, that a human being should not be compelled to work. Now, Sir, slavery servitude and forced labour are condemned in all countries and by all parties. Unfortunately we sometimes clothe this idea of servitude in such words that its essence is not observed. What does this clause do? It does not provide for hitting for a man who does not observe the terms of a settlement that he will work for six days in a week or five days in a week. But if he does not observe the terms of settlement he is fined. It is true that this clause does not provide for imprisonment, nor whipping but the object of fine is the same, to compel that man to work against his wishes.

The Honourable Shri Jagjivan Ram: There is nothing to prevent him from resigning and walking out.

Mr. M. N. Joshi: Resign after giving due notice. (Interruption). I think my Honourable friend Mr. Griffiths is working at present in tea industry. I am sure he has not yet forgotten the history of indentured labour. Has he? Perhaps he does not remember it.

Mr. P. J. Griffiths (Assam: European): I have read all about them.

Mr. N. M. Joshi: What is indentured labour? The indentured labourer makes a contract that he will not leave his service without notice. That is a contract. That is indenture. Does my Honourable friend know that? He knows it very well. It is this system of indentured labour which was condemned in our country by men like Mahatma Gandhi so far as it related to South Africa. Men like the late Mr. Gokhale worked for its abolition and got it abolished. Leave aside Mahatma Gandhi and Mr. Gokhale, there were Britishers in this country whose conscience was not entirely killed and who could be persuaded to withdraw such legislation from the statute book of India. We had many such pieces of legislation.

Sir Cowasjee Jehangir: You are bringing it back again.

Mr N M Joshi: That is exactly what I am explaining to you We had many forms of indentured labour in India We had the Assam Planters Act, the last Act which made the breaking of a contract illegal in Assam

Sir Cowasjee Jehangir: Are you now speaking of the 1929 Act?

Mr N M Joshi: There was the Workmen's Breach of Contract Act which was repealed by the efforts of Englishmen like Sir Alexander Muddiman Sir Alexander Muddiman could be persuaded by this legislature, with my humble request to repeal the Workmen's Breach of Contract Act Not only that He repealed certain section of the Indian Penal Code Not only that He pursuaded the Madras Government to repeal the Madras Planters Contract Act He also got the Coorg Planters Act repealed The object was that such contracts for specific performance of terms consisting of actual working are immoral contracts When a contract is made that a man should work and there is put in it a clause that if he does not fulfil the terms of the contract he shall be punished

Sir Cowasjee Jehangir: What has that got to do with the amendment?

Mr. N. M. Joshi: You please listen to me Is it not that such a contract is an immoral contract? It has been admitted to be an immoral contract by men like Mahatma Gandhi and Mr Gokhale and even by Britishers like Sir Alexander Muddiman who got this legislation repealed

Mr P J Griffiths: By me too

Mr N M Joshi: [illegible] conscience in those days Breach of contract to be made an offence has been condemned by International Labour organisation and by all the civilised world There are conventions of International Labour organisation, the passing of such conventions was necessitated because in all colonial countries including India such legislation did exist, that is people could be compelled to work against their wishes either by a system of fine

The Honourable Shri Jagjivan Ram: There is nothing here to compel them

Mr N M Joshi: Please have patience I know you are feeling nervous I am now explaining to you what the indentured system and forced labour is and what a workmen's breach of contract is and as you are feeling nervous I am glad that your conscience is being aroused Sir the international law is against anything which compels a man to work failing which he is either fined or sent to jail or whipped My Honourable friend wants to know what is there in this clause He has not read it properly and so does not see the implication of it This clause may compel a worker under the terms of his contract not to leave his work without notice, on pain of being fined If he does not pay the fine the Criminal Procedure Code will apply and the poor man will be sent to jail It is quite possible that one condition of the settlement will be a notice before a man leaves his service, otherwise he will be fined Now 95 per cent of the workers do not have Rs 200,—the amount of the fine And by this clause the Honourable Member will be re-enacting slavery, servitude and forced labour —provisions which were once condemned by this legislature

Sir, one thing more I do not like breach of a civil contract being turned into a crime Government say that in the interest of the public strikes should be prohibited Of course I admit that some strikes may inconvenience the public and you have some justification for making a strike illegal, according to your definition of a strike that when two persons join and leave their work in combination it becomes a strike and if they leave their service in breach of a settlement contained in an award they will be punished In my view even that is forced labour and slavery and servitude But for the sake of argument I am prepared to agree that there is a difference between a strike and an individual act And one fundamental question that I now raise is whether

one single individual who breaks his contract of service without giving notice to his employer should be fined and sent to jail for not going to work I again make it clear that there may be justification for making strikes illegal and people who go on strike being sent to jail But you are not content with that I can understand your saying that if there is a settlement there should be no strike, although in theory I do not accept it But in practice I quite realise that there may be occasions when a strike really assumes very big proportions, and some people may think that it is a public danger But I cannot under-

4 P M stand why leaving work by a single person individually against his terms of contract—admittedly—should be treated as a criminal offence

Mr President How is that case covered?

Mr N. M Joshi It is covered by a man who breaks his terms of settlement

Mr President Can there be a settlement with one man alone?

Mr N M Joshi No but the clause is that 'any person can be punished etc There is a condition of the award that a mum shall not leave his service without notice If he does so he becomes liable under this clause to a fine

Mr President The point I wanted to put was this The Honourable Member was referring to individual contracts of service while the clause speaks of collective settlement and collective awards

Mr N M Joshi The contract may be for all people who agree that they will not leave work without notice But under this clause if an individual leaves service

Mr President Is it covered by the clause?

Mr N M Joshi I think it is The term of the settlement is that every workman must give notice Now notice is to be given individually and cannot be collective

Mr President The point of distinction will be that while on the one hand he wants to place the worker on an individual basis the Bill speaks of a collective settlement and award and therefore the basis of the contract between the worker and the employer will be a collective contract The Honourable Member wants to have the advantage of a collective contract and yet for the purpose of escaping the consequences he wants to treat that settlement as an individual contract

Mr N M Joshi If the Honourable Member's legal advisers tell me that a man who is part of this settlement can leave his service without being punished I shall surely agree

Mr President That they cannot say

Mr N M Joshi Therefore I say that an individual is punished if he does not want to work and leaves his work without notice I consider that to be slavery and servitude and forced labour Sir, some time back I had heard that the Honourable Member was anxious to appoint a committee to go into the question of forced labour I cannot understand the Honourable Member's interest in forced labour if he wants to force a man to work against his will He should not try to introduce force labour by this clause He cannot claim to be helping the labour when by his own enactment he is bringing back the old enactments—the Workmen's Breach of Contract Act, the Assam Legislation, the Clauses in the Penal Code, the Clauses in the Madras Planters' Labour Act Therefore, I feel Sir, that the House should not agree to the Honourable Member's intention of punishing workers and putting them in jail if they do not pay a fine and imposing a large fine on them and thus compelling them to go to work against their wishes I hope the House will realize

[Mr N M Joshi]

what they are doing, and not support the Honourable Member in his intentions which in my judgment are extremely wrong.

Mr President: Amendment moved:

That in clause 29 of the Bill for the word 'person' the word 'employer' be substituted.

Mr P J Griffiths: Mr President, since I have come under the sharp though benevolent castigations of my Honourable friend Mr Joshi, I feel I must in the course of two or three brief sentences make my position clear. I dislike indentured labour just as much as does my Honourable friend Mr Joshi. I dislike binding settlements just as much as does my Honourable friend Mr Joshi. I hate binding awards even more than does my Honourable friend Mr Joshi.

Mr N M Joshi: I am glad.

Mr P J Griffiths: I gather from the scope of this Bill I have opposed this principle of binding awards. According to my way of thinking the very principle of binding awards is parallel with that of indentured labour. In the case of labour it is very real, in the case of employers it is merely unjustified interference with the freedom of contract. It should not be in the Bill at all.

As I said the other day on the rare occasions when my Honourable friend Mr Joshi and I agree I know that he is right. About this matter we agree but we lost. We failed to carry our point; we failed to convince this House and we failed to convince the Select Committee that the employer and the employees should have the right to fight it out. We were turned down and the decision was taken that in the interest of society awards must under some circumstances be made binding. The only question is if awards are to be made binding on whom they should be binding? When you have a dispute there are two ways of dealing with it. To let the two parties settle the dispute between themselves or to cite them both as parties before a Conciliation Board or a Tribunal and have an award of some kind. Now if you have that award does it mean anything unless it is binding on both the parties concerned? Does it make sense to call the parties to a Tribunal—the sort of august tribunal which is proposed in this Bill—and then say as far as 'A' is concerned the award is made binding on him but as far as B is concerned though he is a party to the dispute, though he is cited before the Tribunal he is not to be bound by the award at all? In a matter of this kind what is sauce for the goose must be sauce for the gander.

[At this stage Mr President vacated the Chair which was then occupied by the Deputy President (Khan Mohammad Yamin Khan).]

Mr N M Joshi: No Sir.

Mr P J Griffiths: I would give no sauce to either but if one is to have it so must the other. We in this Group will not agree with one principle for the employer and another for the employee in a matter of this kind. As long as this clause which makes an award binding stands on the Statute Book at all that binding force must be the same with regard to the employer and the employee.

Mr N M Joshi: In that case the Honourable Member supports my next amendment.

Mr P J Griffiths: I supported it from the very first day but I have been driven to despair of success in it. I do support it, and I shall cast my vote for it.

But the point I am trying to make is this that since the award must be binding on both sides there must be a penalty on both sides. Does it mean anything to say that an award is binding if you provide no penalty for the party which does not keep it? What sense is there in saying that this award is binding on you but if you choose to ignore it it will be wrong of you but

we shall not do anything about it' Either let us have no binding awards at all or we should recognize the fact that an award must be binding on both sides, and because it is binding on both sides there must be a penal clause for anybody on either side who commits a breach of an award Sir I oppose Mr Joshi's amendment

Dr Zia Uddin Ahmad (United Provinces Southern Divisions Muhammadan Rural) I said at the very outset that this Bill is an indirect attempt to enforce indentured labour and therefore I consider that this entire Chapter VI ought to be deleted After all it is really a civil liability and under this Chapter VI you are turning this civil liability into criminal liability I thought this suggestion should not come from a person who represents labour because he ought to be the first man who should oppose the principle of changing a civil liability into a criminal offence That is the point on which I stand and therefore I will be very happy if this whole Chapter VI is omitted

The Honourable Shri Jagjivan Ram I do not want to make any long speech on this point The amendment as it is will mean that the award will be simply binding on the employers and not on the workers If the provision for an award has got any sense it must be binding on both the parties as my Honourable friend Mr Griffiths has said As regards the question of indentured labour I think the whole issue has been mixed up There is no comparison between the indentured labour and this clause Sir there is nothing in this Bill I say, to prevent a worker from resigning his work and seeking opportunities for better wages and better condition of service If he is not satisfied with his employment in one factor he can go to another factory and seek a better job there whereas in the case of indentured labour he has not got that option So we cannot mix up those two things together Any comparison with indentured labour is doing injustice to this clause and the whole Bill I do not accept the amendment

Mr Deputy President The question is

That in clause 29 of the Bill for the word person the word employer be substituted'

The motion was negatived

Miss Maniben Kara Sir I move

That in clause 29 of the Bill-

(i) between the words punishable and with fine where they occur for the first time the words in the case of an employer' be inserted,

(ii) the words and in the case of a workman with a fine of five rupees be added at the end '

I listened with keen interest the arguments advanced by my Honourable friend Mr Griffiths He agrees with us that there should be no compulsory arbitration and since he agrees with that principle naturally he also does not want the award to be binding But in this case Mr Griffiths and myself are helpless because the Honourable the Labour Member will not accept our suggestion

Mr P J Griffiths We are the oppressed proletariat

Miss Maniben Kara But I cannot accept the argument which he has advanced that the employer and the employee should be on the same level as far as the penalty is concerned Sir he is an employer naturally has to champion the interests of his own class but he forgets the inequality between himself and myself He as a representative of an employer is in a different position economically and economic inequality certainly entitles me to move my amendment which says that I should not be governed by the same rules as he will be

The Honourable Shri Jagjivan Ram That you have already said so many times

Miss Maniben Kara But you do not accept it and therefore you compel me to repeat it

[Miss Maniben Kara]

The clause as it stands imposes the same amount of fine on the employer and the employee It imposes the same term of imprisonment for an employer and for an employee This presupposes equality between two classes which does not exist Not only is there inequality in economic status there is also inequality in respect of their education, in respect of employer being in a position to control the lives of hundreds and thousands of workers Employers are in a responsible position and Sir I can tell you that in most cases the breach of agreement comes in a very subtle way from the part of the employers The breach of settlement by the employees is known to the public because they immediately react, they react to the changed conditions of life and they withhold their labour But the employer does not apparently make any changes in the condition of labour in the sense that he reduces their wages, but he makes certain changes in the conditions of work by which an employee as a result of these changes at the end of the month gets something less in his hands without knowing how that calculation was arrived at Sir under these conditions when there is absolutely such economic inequality between the two parties to legislate in a way putting labour and capital on the same level is not right I therefore move my amendment and I hope that the Members of the European Group also will support the amendment I have moved

The Honourable Shri Jagjivan Ram It will have the same fate

Mr Deputy President Amendment moved

'That in clause 29 of the Bill—

(i) between the words punishable' and with fine where they occur for the first time, the words in the case of an employer be inserted,

(ii) the words 'and in the case of a workman with a fine of five rupees' be added at the end'

The Honourable Shri Jagjivan Ram Sir I do not accept the amendment

Mr N M Joshi The object of this amendment is to reduce the fine being imposed upon a workmen to Rs 5

Mr Deputy President That has been explained by Miss Kara

Mr N M Joshi The point is this that the fine imposed in this clause is on an individual workman It is not on a Union Fine of Rs 200 must be regarded as too high and perhaps beyond the power of an individual worker to pay The fine may extend to Rs 200 and in the event of a second conviction the fine may extend to Rs 500 This fine of Rs 200 and Rs 500 on poor workmen is a vindictive fine and I would like the Government of India to consider whether they should be guilty of this vindictiveness against the working classes I therefore, Sir, suggest to the Government of India that they should have accepted my first amendment and omitted the workers from the operation of this clause They have not done it but to impose a fine of Rs 200 and then take powers to extend it to Rs 500 is in my judgment cruelty and even wickedness The Government may depend upon the votes of people who sit behind them I therefore appeal to them whether a fine imposed upon an individual workman for breaking the contract of service should be allowed to reach the limit of Rs 200 Not only that but may be extended even to Rs 500 Is that humanity? Is that a reasonable amount of fine I ask a Congressman who has the courage of conviction to speak out in this Legislature?

Mr Yusuf Abdoola Haroon (Sind Muhammadan Rural) Not now!

Mr N M Joshi And say that this amount of fine is a reasonable one The Honourable Member says he opposes my amendment and says nothing else What else can he say! If he imposes a fine of Rs 200 on an ordinary workman and also wants to extend that fine to reach Rs 500 what could he say?

Shri Mohan Lal Saksena It is for the Courts to decide

Mr N M Joshi You are giving them power You are not making a law not to be observed by the Courts You are passing a law in order that the Courts should obey and follow it in practice The Courts may have discretion but if the Courts have the same hearts which you are showing today, what chance has a poor workman?

Mr P B Gole (Berar Non Muhammadan) The Courts have a judicial mind!

Mr N M Joshi I would like you to consider whether fines imposed upon individual workmen for breaking their settlement is just Besides a settlement may, as I have said, include a clause that the man will not leave his job without a notice of a month which may be thirty days where is he may give notice of twenty nine days and thereby become liable for a fine of Rs 200

Shri Mohan Lal Saksena But the Courts will take that factor into consideration and impose a very small fine

Mr N M Joshi I want the Legislature to take that into consideration

Shri Mohan Lal Saksena The Legislature cannot

Mr N M Joshi The Legislature can say that the fine in the case of an employer should be Rs 200 rising to Rs 500 But in the case of a workman it should not exceed more than Rs 5 or Rs 10 or something to that effect The Legislature can say that and that is my charge against him I hope Sir, that the House will accept the amendment

Mr S Guruswami (Nominated Non Official) I should like to make a few observations This amendment violates a fundamental principle contained in the Payment of Wages Act That Act prescribes that in cases of breach of regulations an employer has not the right to fine a person more than half anna in the rupee of workman's wages But under this Bill a greater amount of punishment is provided for the workers In a question relating to the relationship between the employer and employees in this Bill the Government have a different standard In fact they adopt a standard which is a reprehensible one and which is in direct contravention to what is recognised in the Payment of Wages Act

Secondly, until and unless we have a socialist state or a society where full employment policy is implemented there is an unwritten Industrial Disputes Act whereby the employer can make the worker do as he pleases, because in effect the employer dictates the conditions of workers service Very rarely an employee has the courage or the circumstances to rebel against the employer's authority and when he does it why should the Government come in and say that they would penalise such a worker who exercises his right to rebel against atrocious conditions? Therefore what I want that the employer alone should be made to observe the terms of the settlement or award because he has the power to compel a majority of the workers to do as he pleases It is very rare that the workers are in a position to dictate what they want Therefore this mathematical equality of punishment between the employer and the employee in this matter is not equality but inequality and I want the assurance of the Honourable Member that he would, at least, in token of our having accepted the proviso that both the employer and the employee should be dealt with under this Act, legislate for a lesser amount of punishment in so far as the workmen are concerned

Mr Deputy President The question is

"That in clause 29 of the Bill—

(i) between the words 'punished' and 'with fine' where they occur for the first time, the words 'in the case of an employer' be inserted,

(ii) the words 'and in the case of a workman with a fine of five rupees be added at the end"

The motion was negatived

Mr N M. Joshi Sir, I rise to oppose this clause I have explained in my speech that this clause contains the germs of slavery or servitude, forced labour or indentured labour

Shri Mohan Lal Saksena Why repeat the arguments then?

Mr N M Joshi I was not going to repeat the arguments

Mr Deputy President You are not allowed to repeat arguments

Mr N M Joshi My Honourable friend should have shown a little more patience Patience is not a bad virtue What therefore I have to say is that this is a matter of fundamental principles I am against indentured labour or forced labour, against any form of servitude

Shri Mohan Lal Saksena So are we

Mr N M Joshi Doubtful I cannot believe it I would therefore not only oppose this clause but I shall request you Sir to give me the indulgence of asking for a division on this motion

Mr Deputy President The question is

That clause 29 stand part of the Bill'

The Assembly divided

AYES—43

Ali Asghar Khan Mr	Mridandhari Singh, Mr
Banerjee Shree Satyapriya	Mutta Pandit Lakshmi Kanta
Bhatt Mr G S	Mandal The Honourable Mr Jogendra Nath
Bhattacharyya Rai Bahadur Devendra Mohan	Menon Sri A K
Chaudhuri Sreejut Rohini Kumar	Mukut Bihari Lal Bhargava
Chundrigar The Honourable Mr I I	Nazimuddin Khwaja
Gadgil Sjt N V	Nehru, The Honourable Pandit Jawaharlal
Gangarju, Sri V	Neogy Mr K C
Gokhale Mr B K	Panjabi Mr K I
Gole Mr P B	Rai Narayan Singh Babu
Gounder Sri V C Vellingiri	Saksena Shri Mohan Lal
Gupta, Lala Deshbandhu	Sampuran Singh Sardar
Ishaq Seth Haji Abdus Sattar Haji	Satakopachari Sri T V
Jagannathdas Sri	Shoobert Sir Harold
Jagjivan Ram, The Honourable Shri	Siddiquee, Shaikh Rahuddin Ahmad
Jehangir Sir Cowasjee	Sinha Shri Satya Narayan
Jhunjhunwala Mr B P	Sukhdev, Seth
Joshi Mr S C	Turner, Mr A C
Karmarkar Shri D P	Varma Mr B B
Kharegat Sir P	Vinchoorkar Sardar N G
Lal Mr Shiva	Zia Uddin Ahmad Dr
Liaquat Ali Kh ble Hon ble Mr	

NOES- 5

Griffiths Mr P J	Joshi Mr N M
Gurusami Mr S	Kara Miss Maniben
Hervey, Capt G T B	

The motion was adopted

Clause 29 was added to the Bill

Mr Deputy President The question is

That clause 30 stand part of the Bill

The motion was adopted

Clause 30 was added to the Bill

Clauses 31 to 40 were added to the Bill

Clause 1 was added to the Bill

The Title and the Preamble were added to the Bill

The Honourable Shri Jagjivan Ram Sir I beg to move-

'That the Bill as amended, be passed

Mr N M Joshi Sir, in this Bill, though not many, some amendments have been made Therefore, unless you waive the Standing Order, the third reading cannot be taken on the same day I feel that the third reading should not be taken today and it may be taken on the next day My reason why you should not waive the Standing Order is that you should not take such an important motion at this late hour when we are tired

Mr Deputy President I would like to know the Government's position in this matter

Mr Shavax A Lal (Government of India Nominated Official) Sir, we have come to the tail end of the Bill

Mr Deputy President I suspend Standing Order 49 I think sufficient notice of all the amendments has been given The amendments themselves are of a very minor nature as the Honourable Member knows The amendments which have been made and accepted by the House are not of a nature which require special consideration I therefore think that I should exercise the right of the Chair under these circumstances of suspending the Standing Order We have already sat for several days on account of this Bill and the Chair will be perfectly justified in taking this action Therefore I suspend Standing Order 49 for the purpose of the third reading and I would allow this motion Now, I shall put the motion

Motion moved

"That the Bill, as amended, be passed"

Mr S C Joshi Sir, I move

"That sub clauses (2) and (3) of clause 24 be omitted and sub clauses (4) and (5) be re numbered as sub clauses (2) and (3) respectively"

Mr Deputy President The question is

"That sub clauses (2) and (3) of clause 24 be omitted, and sub clauses (4) and (5) be re numbered as sub clauses (2) and (3) respectively"

The motion was adopted

Shree Satyapriya Banerjee (Chittagong and Rajshahi Divisions Non-Muhammadan Rural) If I stand at this big end of the day I do so not with a view to bury Caesar nor to praise him but to render unto Caesar what is Caesar's I have listened to the dispute between the indomitable 'about turn' and the inexorable Labour Member over the Industrial Disputes Bill with patience, with interest, sometimes with amusement and sometimes also with profit During the consideration stage, my Honourable friend the Leader of the European Group, the representative of European capital was pleased to observe that this Bill was a slavish imitation May I ask him, if this Bill is a slavish imitation whether all the social legislation that has taken place in England to this day is not a slavish imitation of the social legislation that has taken place in England to this day is not a slavish imitation of the social legislation of Germany It is not slavish imitation, Sir, which leads to institutional indigestion but a conscious and deliberate adaptation of ideas and practices successfully tried elsewhere, adaption which saves the body politic from institutional atrophy It was interesting to observe that Mr Griffiths hurled some attacks on the Bill, indicted the whole labouring class, chose to remain a silent spectator for a time rather than an active participant in the wordy warare between the stubborn labour trio and the adamant Labour Member again flared up like the last flicker of a dying lamp and called a division I am not pursuing the matter further

Let me come now to the provisions of the Bill One ray of light and the one feature of hope that I find in this Bill is the provision of the Works Committees, even though my Honourable friend Mr Griffiths was opposed to them, because the labouring class uneducated untrained and unorganised as it was, it was impossible and derogatory to sit at the same table with them to discuss

[Shree Satyapriya Banerjee]

matters of common interest May I put to him this simple question? If the labouring class of today is uneducated, untrained and unorganised, is it not due to the callous indifference of the employing class which Mr Griffiths represents? If, Sir, it has sown the wind, it has to reap the whirlwind I leave the matter at that Works Committees have also been attacked by my friend Mr Guruswami I know that Works Committees have been also opposed by trade unionists, not because they are against it as such but because they are afraid that certain unscrupulous employers will foster the growth of Works Committees in order to destroy trade union influence in their works and there is a real danger that Works Committees may be used in opposition to trade unionism It is important that such fears should be guarded against in the initiation of any scheme I hope the Honourable Member will see to it that the employees side in the Works Committees shall be trade union members May I in this connection refer to the report of an inquiry conducted by the Ministry of Labour in England in which it is said

> This is the best thing that has ever happened in the shop It means that a Works Committee is felt to be something vital and something new something that enlists the workers in real participation and something that offers fresh promise for the future

From the employers point of view, it is said that Works Committees mean discussion and that means loss of time That means again decrease in production and again it is said that Works Committees stand in the way of new ideas and processes and they are against progressive change All these are theoretical objections and not founded on facts Let me quote from the same report

> More time is gained by the absence of disputes than is lost by the presence of discussion more improvements can be introduced in an atmosphere of harmony than can possibly be introduced in an atmosphere of suspicion"

Sir I am sorry that the Labour Member has not completed the picture of Works Committees I look upon Works Committee as the broad base of the industrial structure which will act as the means of enlisting the interest of the workers in the success both of the industry to which they are attached and of the workshop or factory in which so much of their life is spent I again quote from the report of the Whitley Committee where it says

> 'What is needed is a triple organisation—in the workshops, in the districts and nationally—that is to say, over the entire industrial structure

I hope my Honourable friend and colleague the Labour Member will see to it that he will incorporate in a later legislation all these ideas and bring Works Committees in line with the district and regional committees and the national committees comprising the whole industry

Sir it has been said that the strike has been made illegal yes Sir under certain circumstances under clause 24 of the Bill I would have been happy if it were *not* done so—but even if it is there I am supported and encouraged by a conviction which is deep in me and to which Lassale, the great pioneer of German labour movement more than 75 years ago gave pointed expression when he said *Diese Fragen Sind nicht Rechts fragen sondern Machtfragen*, that is to say—these questions are not questions of law but questions of power and strength Sir, if I have studied the history of the labour movements of other countries aright I will say this and that without any fear of contradiction—that the right to strike was never given to labour anywhere at any stage of its progress and development—it has been there as its inherent right and Sir if the right has not been vouchsafed to it out of generosity by the Government it cannot certainly be taken away by it merely by a stroke of pen It is a right inherent in it and there is no power on earth—not to speak of the present Interim Government which I under present circumstances fully support—which can deprive the workers of this right by a simple *ukase* Sir if labour grows from strength to strength, as undoubtedly it will I am sure this provision which makes strikes illegal will be a dead letter soon I will only

refer to the strike that is going on now in Calcutta, to which reference has been made by my Honourable friend Mr N M Joshi

It has also been said that arbitration has been made compulsory Here I am brought face to face with the functions of the Government What is it that the Government exists for? If I go into the history of political theories, it will take a long time and I refrain from doing it I will say only this that if a Government deprives the people of their rights, and the right to strike is certainly one of them, the people have the right to alter or abolish it But, Sir, if for a continuous and prolonged length of time there is a strike and there is no possibility of a settlement between labour and capital and society suffers as a consequence, what shall the Government do under those circumstances? Shall it stand by and watch and allow both the parties to fight out? If that were the function of the Government, I must say that the Government would stultify itself When things come to such a pass it has certainly the right or rather it is incumbent on it to interfere and I hope and trust that the present Government, which is the people's Government, will intervene only in such exceptional circumstances When such occasions arise and they, I hope, will be very few and far between, Government will feel itself compelled and bound to interfere and I have no doubt that the Government which is so sympathetic towards labour will do justice to it The indomitable labour trio need have no anxiety on that score

It has been said also that criminal liability has been imposed upon the workers I wish it were not so I wish also that the definition of strike which was proposed by my Honourable friend Mr N M Joshi were accepted In that connection my Honourable and esteemed colleague Mr S C Joshi said that the definition of a strike had been brought in line with that of a lock out Quite right But it could have been done just the other way about In the original Bill the definition of a lock out contained the words 'in consequence of an industrial dispute The definition of 'strike also could have been modified accordingly where as now the words referred to above 'in consequence of an industrial dispute have been deleted from lock-out and the definition of strike remains as it is and lacks precision and can bid fair to make confusion worse confounded

Sir, I do not want to detain the House any longer because I think the House has lost patience and they are anxious to go In support of the Government I must say that labour legislation is only in the making—the Interim Government, which took reins of office only four and a half months ago, has not found ample time for it and I am sure that the legislation that they have in view will go a long way to redress labour's grievances and recognise their rights and do them full justice

Lastly, Sir, I cannot but refer to that clause which I consider the blackest in the whole Bill, namely the penalisation of sympathetic strikes. It was due to the farsightedness and patriotism and sense of justice of our leader Pandit Jawaharlal Nehru and to his intervention that that clause was deleted If that clause had remained, I am sure the Congress would have stultified itself before the country and lost the confidence of the people of the country Sir the Bill is designed to make provision for the settlement of industrial disputes—let the Government go to the root of it—let the Government control or abolish capitalism and thus either control industrial disputes or prevent them altogether Personally, I believe in abolition of capitalism and establishment of socialism because prevention is always better than cure Sir I have done

P M

Dr Zia Uddin Ahmad Sir on the third reading of the Bill I do not want to comment on the clauses of the Bill but will confine myself to the working of the Bill as a whole I am sure that we all agree with Mr Joshi and Miss Maniben Kara and Mr Guruswami in their desire to ameliorate the general

[Dr Zia Uddin Ahmad]

conditions of labour and provide better amenities to the workmen There is no difference of opinion on this point But we cannot forget that we have in the country at present a class of people who call themselves communists and whose only business is to create crises and troubles in every society Their method is to work both from inside and outside They pose themselves as Muslim Leaguers and come to the meetings of the Muslim League simply to create troubles there They also go to various institutions, educational and otherwise, and there they carry on their work according to certain plans Swiftness of their work is the secret of their success I am sure we have no sympathy with those persons whose object is not to ameliorate the conditions of the people but only to create troubles in the society and produce chaos in the country With this class of people we have no sympathy and the hands of the Government should be made stronger in order to overcome this class of people who really try to create troubles everywhere If their desire is to improve the condition of the poor people we are with them But if their desire is to create chaos, I for one will not be in favour of such an attempt

There are three view points about the position of labour One is the viewpoint of the Fascists, the other is the view point of the Democrats or Socialists, and the third is the view point of the Communists There are some good points in all the three view points, and we have to find out a position of stable equilibrium from the ideals of these three schools of thought We are all in favour of the development of industries and for this purpose we champion the cause of the workmen because we believe that their efficiency and contentment will be conducive to the improvement of the industries in this country There are so many contradictory factors which we have to take into consideration, and find out what I called a position of stable equilibrium between these conflicting forces In the first instance, we are all agreed that industries in India should develop and we should try to be self-supporting as far as Indian industries are concerned not for the benefit of capitalits but for the benefit of the country The second principle on which we are all agreed is that we should have both internal and external markets for our industries For internal markets the purchasing power of the people should be increased That is the standard of living of everybody including the standard of living of workmen who form the bulk of the population should be substantially increased That is a view point which I hope the Government will keep in mind Otherwise without the internal market and without increasing the purchasing power of the people industries cannot possibly develop The third point is that our industries should be able to compete in the world market and should be able to find markets not only inside the country but outside the country as well In order to achieve this object, our cost of production should be as low as possible and we should make every attempt to produce in a manner that we may be able to compete with the world market India once enjoyed the reputation that our labour was very cheap On account of this fact, we could compete with the world market Fourthly, create sense of responsibility Japan developed a system by which labour has been trained to work by their own conscientiousness and supervisors became unnecessary Therefore by this development of conscientiousness on the part of labour, Japan was able to succeed in competing with the world market We have not yet attempted this method of creating sense of duty and responsibility among workmen I hope those who are champions of labour —no doubt they should fight for better conditions for labour but they should also teach labour to work in the same manner as the Japanese labour do that is develop in them a sense of responsibility and a love for work in order to develop that our industries may compete in the world market Sir the manner in which we have been trying to solve the labour problem in the legislature does not appeal to me I am not very happy about labour legislation We should keep in mind the

principles I have enunciated in order that our industries might flourish I do not approve this idea that we fight whether labour should work for 56 hours a week, or 52 hours a week and so on I think labour should be accustomed to work hard if this country is to compete with the industries of other countries A successful labour should work as hard as a successful businessman We have to compete with other countries who have got the advantage of mechanised labour which we have not got We cannot compete with them unless labour is cheap, efficient and hardworking My suggestion is that you should give labour two months holiday every year not one day every week or 10 days casual and 10 days privilege leave The factory should run all the year round On no days should the factory be closed The workmen should be given the option of taking two months holidays with ordinary pay or they should be given the option of working even during those two months of their holidays with double their usual salary In this way, labour in India can be induced to put in their best and thus industries will develop and will be able to compete with the rest of the world I am sure eighty per cent of labour in India would be willing to work all the year round, without any holidays provided they are given for two months double the salary We ought to introduce some such method

The Honourable Shri Jagjivan Ram The Factory Amendment Act will come later on

Dr Zia Uddin Ahmad I hope this point will be borne in mind then that the workmen should be accustomed to work hard and they should be given the option of double salary for two months in lieu of two months holidays provided they work all the year round

The next thing is the provision of the quarters of the staff, workmen should be essential part of the building When any inspector goes to inspect the factory, he should see that labour quarters are comfortable and hygienic and he should not give a certificate for the factory unless these conditions are fulfilled The workmen should be made to feel that they are business partners in the undertaking The idea of employers and employees should be banished from the minds of labour They should feel they are as much partners as the owner who has put in his capital in the undertaking and the person who is in charge of the management The same food should be served to all and the directors' managing agents should occasionally take the meals on the tables of workmen On the Board of Directors, a seat should be provided for a representative of workmen elected by the workmen themselves We should also adopt the system which was followed by the Secretary of State for India in the case of company managed railways in the past Every company managed railway had a Home Board on which the Secretary of State nominated a Director He acted as watch dog So, I think on the boards of management of factories in India, appointed by the Government he should have a permanent seat He should watch the interest of the workmen and also the general interest of finance and supervise efficiency and honesty In that case there will be a double check, a check by the labour representative and a check by the Government representative and I submit this should be made condition precedent before any factory is recognised One director may serve on a large number of factories either of the same class or located in the same town But that ideal cannot be achieved in a day That will take time We have to educate the workmen, the director and the managing agents I think a beginning should be made The Transport Department has recommended that Government should own some shares in transport undertaking and in order to safeguard the Government interest they will necessarily have to send a representative to sit on the Board of Directors He will be the representative of the Finance Department That will be a great check against the manipulation of double and treble set of accounts by the innocent capitalists At present as is well

[Dr Zia Uddin Ahmad]

known that firms keep one set of accounts for the incometax officer, a second one for the shareholders, a third one for themselves and perhaps a fourth account for the casual visitors and Inspectors and auditors If a representative of the Labour Government, a representative of the Finance Department and a representative of labour sit on the Board of Directors, it will be a guarantee that the undertaking is run on proper lines, that there is no falsification of accounts there is no black marketing, everything is done in an open and above board manner

The next thing is we ought to introduce the system which was prevalent in some countries before the Great War Everybody should have a minimum wage The capitalist who has invested his money in the undertaking should get double the bank rate of interest because he has taken some risk in investing his money The Directors should have the shares, the workmen should also have a share in surplus profits The surplus should be distributed according to a certain proportion It should be on a telescopic scale, the higher the salary the less the proportion of shares and lower the salary, the more the proportion of shares in surplus profits The proportion of share holders, Directors Managing Agents and workmen should be fixed in the articles of association of the Company It is also desirable that we provide amenities to workmen at the expense of the factories Schools for children and adult workmen social clubs both indoor and outdoor The education of the workers' children should be the special care of management

Mr Deputy President I will remind the Honourable Member that speeches on the third reading of the Bill must be confined to the provisions of the Bill and whether the Bill should be passed or thrown out

Dr Zia Uddin Ahmad I am pleading for some amenities for the workers and their children It is noticed in countries I have mentioned that the children of the workmen become labourers themselves thus making it a hereditary occupation These factories should be the homes of workmen and not a place of indentured labour where breaches of discipline are considered as penal offence tried by the court of law I would have tried them by a small tribunal appointed by the Directors with the consent of workmen Factories should be changed into homes and not converted into Jails, or the idea of indentured labour will not be forgotten

Mr Deputy President The Honourable Member is repeating the same thing He should confine himself to the provisions of the Bill itself

Dr Zia Uddin Ahmad I am saying that we are converting civil liabilities into criminal liabilities and I hope that the powers conferred by this bill will be used with discretion and not misused in the interests of the capitalists We must not forget that the industry is produced by the workers and not by the capitalists, and if the workers are not kept contented it is impossible for any industry to thrive Our fundamental object is to develop industries let the interests of the workers be maintained and let them be treated as human beings and not merely as labourers or indentured labourers, which has been foreshadowed in some clauses

Mr N M Joshi Sir I rise to oppose this motion I wish your ruling had not been so just and so much in accordance with the Standing Orders, and I hoped you would have tempered your justice with a little mercy

Sir I feel that this Bill is in the first place based upon a wrong interpretation of the present economic unrest in the country The methods selected to deal with that unrest are in my view wrong and are not even calculated to secure that object I feel that the measure planned by Government is hastily planned Government have not given proper consideration to it The Bill is

full of defects even of details, it does not show any appreciation of the fundamental rights of labour It does not give me a feeling that Government understand the difficulties of the working classes, it gives me a feeling that they do not understand that in the present capitalist system the worker has many handicaps placed upon him by this system itself I also feel that Government's object will not be achieved by this Bill and that the working classes instead of benefiting by it will suffer materially and morally They will lose their freedom too It is on those grounds that I oppose the passing of this measure

Sir, during the debate I heard many speeches showing the natural anxiety of people that the production of various articles in this country should not suffer I entirely sympathise with that anxiety There is no worker in this country who would like to see a deficiency in production they only get a tiny share in the country's production If sufficient cloth is not available at a cheap rate the workers themselves will suffer more than either the Government Members or members of the other wealthy classes of society Therefore a worker who understands his own interest will not unless he is driven to it, do anything by which the country's production will suffer We were told that this Bill is necessary—providing for adjudication, providing for strikes being illegal—to deal with the present unrest I feel, Sir, that the Government and the Legislature have wrongly interpreted the present unrest The present unrest to a very great extent is the product of the last war This unrest among the working classes which we see today in our country is not confined to India, it is seen in the U S A, it is seen in Great Britain, it is seen in many other countries The last war has created aspirations and hopes in the minds of the common citizens of the world and in the minds of the working classes everywhere, and they are crying out for the fulfilment of these aspirations I think any Government which sympathizes with the working classes should welcome these aspirations and should not look upon the birth of these aspirations as something undesirable Then Sir the working classes of this country have a special reason to be restive You will remember that during the last few years we were not only affected by the world war, but we were affected by a great struggle for the freedom of this country waged by a large section of the population belonging to the higher classes The Government should realize that the working classes who see this political struggle going on around them cannot remain entirely unaffected Not only did they sympathize with the struggle for freedom that went on but they took part in it and when the country is on the point of securing that freedom is it wrong on the part of the working classes to aspire for freedom in the economic sphere? If the working classes are restive and are asking for freedom in the economic sphere even the Indian National Congress has contributed to that unrest

Sjt N V Gadgil That is what is being given

Mr N M Joshi My Honourable friend says that is what is being given What is being given to them is not freedom but slavery I therefore feel that the Government have wrongly interpreted the unrest that at present prevails in the country

We were told that the Communists are creating this unrest If Communists are doing anything wrong, there are enough laws on the Statute Book to deal with them but Mr Deputy President, is it not wrong to punish the victims of the Communist? I stated that early this afternoon but unfortunately Government does not realize that if they want to deal with the Communists they are free to do so but they do not deal with the Communists by making strikes illegal They deal with the workmen who have not yet become—not all—Communists And if the working classes of the whole country come under the influence of the Communists so easily, is it not a warning to the Government of the country that there is something wrong with them? A

[Mr N M Joshi]

Communist cannot succeed unless he finds a fertile soil for his efforts, and if the soil is congenial, who created that soil? Government There is something wrong in that case with the Government itself I therefore feel that the Government of India have not only misinterpreted the unrest that is prevailing in the country, but they are wrong in considering that it is the Communist who is creating all this trouble

The Honourable Shri Jagjivan Ram That was told by Dr Zia Uddin, not by the Government

Mr N M Joshi He is a member of the Legislature

The Honourable Shri Jagjivan Ram So are you

Sjt N V Gadgil Why this vicarious comment on the Government?

Mr N M Joshi Does he not belong to the Government Party?

Sjt N V Gadgil I doubt it

Mr N M Joshi You doubt it, not I I think the world knows that it is a joint Government They refuse to say that, let them not, but I am entitled to take them as a joint Government

Therefore, I say, Sir, that it is wrong to make the Communists responsible for the passing of this Bill

Now, what is the method selected by this Bill to deal with the unrest? The method they have selected is to force upon the working classes what is called compulsory arbitration which nobody in the country accepts, neither the Congress nor the Muslim League would accept compulsory arbitration as a solution for settling their differences Why force compulsory arbitration upon the working classes? Are they the only people who are opposed to compulsory arbitration? The Government think that they can bring peace to this country by making strikes illegal I dealt with that point this afternoon I feel this method of bringing peace to the country by making strikes illegal was tried in a different form by the predecessors of this Government They tried to make many things illegal—Hartals illegal, meetings illegal, processions illegal, and so on—but did they succeed in their attempt? No If they did not succeed in their attempt to stop the movement of a people who want to achieve their freedom, why does this Government expect the poor working classes of this country to give up their agitation, their meetings, their processions even their strikes for the fear of going to the jail? I think they are unjust to them I suggest to the Government of India to be at least fair to the working classes of this country You may not give them anything But please understand that they are as good men as you are As a Government it is your duty to protect the interests of these people But I feel that you are not protecting their interests I fail to see why you do not understand the purpose of the working classes in holding their meetings, their processions and their going on strikes, when you yourselves were doing all those things only a short time ago It is wrong for the Government of India to believe that this method which they have chosen, namely, compulsory arbitration and making strikes illegal is opposed by either the Communists or those who are charged of being semi Communists or whatever you like to call them

Recently, Sir, I was in Calcutta and took part in the session of the All India Trades Union Congress There were some Communists There were some Congress Socialists There were some right wing Congress people There were some who were neither Communists nor Congress Socialists nor right-wing Congress people Now in that Conference a resolution was passed objecting to the principles of this measure and the measure which the Government of Bombay have recently passed There, there were more than 1 200 delegates and all excepting six men from Bombay voted for the resolution

condemning the Government for introducing and piloting this measure In the Assembly they got support from a large body of Congressmen who have now become Government and who will support this measure I can understand and they understand very well that those Congressmen who were once taking part in the labour movement and who have now become Government, well they have to support measures which either they themselves put forward or the other Congress Ministers do But in that body of delegates of more than 1,200, there were only six who would have supported the Government's measure on this subject Therefore we are not actuated with any wrong motive in opposing this measure I have stated more than once that even the Royal Commission on Indian Labour, after considering the whole of the subject for two years, advised the Government of India that compulsory arbitration was not a right solution but, Sir, the Government of India now are advised by people who are wiser than the Royal Commission or who at least could not learn anything from that Royal Commission I myself have said here several times that if your object is to stop strikes, this is not the way My Honourable friend, Satyapriya Banerjee said that the Government of India have got many measures of labour welfare in their mind If I had any influence with the Government of India, I would have suggested to them that they should have taken these measures first and this Bill a little later on It could have created some confidence in the minds of the workers that this Government is likely to do some good to them before they take away their freedom I said in my first speech on this Bill that first give the workers social security, reasonable comfort, and then by all means try to devise some measure by which, if you think the working classes are doing any mischief, you may stop it This is not the only Government, which has followed this wrong policy I have known of a large number of Governments who, whenever they hear of strikes, immediately think of passing a law making strikes illegal The world has not yet succeeded in making strikes impossible They have made strikes illegal but they have not stopped strikes and your experience is not going to be different I do not wish to add to what I have stated on this subject this morning

Then, Sir, take the Bill and its clauses I shall not go into all the clauses but I shall draw your attention to the clauses which make for delay in the removal of the grievances of the working classes I have pointed out here that not only months but even some years may elapse before the procedure which the Government of India has laid down in this Bill will be completed We moved amendments We even pointed out that the Bombay Government under the able Ministership of Mr Nanda had provided for a shorter period A man of the experience of Mr Nanda feels that the period for conciliation need not be as long as the Government of India has provided for

Mr S C Joshi Which is the same thing

Mr N M Joshi It is not the same If you will read your Bill you will find that it is not the same But the Government of India is not willing to learn wisdom from anybody They are wise I wish they were wise Sir I have stated on previous occasions that the Government of India does not realize that strikes and lock-outs are not on the same level If you restrain the activity of the workers and want to make strikes illegal, you bring about some equality by making changes without notice in the conditions of the workers illegal I think my Honourable friend Miss Maniben Kara, moved that amendment Even that amendment could not be understood by the Government of India They thought that strikes and lock-outs were on a par In their wisdom they did not see that the employer has the whole establishment in his hands He controls the industry and therefore he need not go on strike or declare a lock-out but he simply alters the conditions under which his employees have to work We suggested that to the Government but they could

[Mr N M Joshi]

not understand the justification of the change which we proposed Here again the Honourable the Labour Member could have learnt a little wisdom from his colleague in Bombay belonging to the same party Mr Nanda's bill

The Honourable Shri Jagjivan Ram The Standing Orders Act is already there

Mr N M Joshi The Honourable Member tells me that the Standing Orders Act is there He himself should have known, if he is a Labour Member doing his work properly, that the Bill does not apply to all establishments It applies to establishments engaging a certain number of persons and he tells me very coolly that there is the Standing Orders Act That Act does not apply to all the industries and establishments to which this Bill applies

Sir, the Government of India thinks that they can hoodwink the public by telling stories of certain other legislations existing on the statute book but there are some people who know You cannot fool all persons all the time

Sjt N V Gadgil That is true

The Honourable Shri Jagjivan Ram Speaking from experience?

Mr N M Joshi I pointed out this evening again the fundamental injustice to the working classes by making a breach of contract of service an offence That is contained in clause 29 in which you insist upon a breach of the terms of settlement being made an offence but, Sir, no appeal on the ground of fundamental moral principle, receives a place in the hearts of this Government They have forgotten very coolly and very quickly

Miss Maniben Kara Very conveniently

Mr N M Joshi I will not say conveniently but very quickly those very principles which used to make an appeal to their hearts at one time but having become the Government those high principles, those noble ideals have ceased to have any appeal to the hearts of these people Whatever may be their attitude towards these moral principles, we are not going to give them up ourselves Although we know that the fight is unequal we shall carry it on in the hope that one day we shall succeed For the present I shall content myself by opposing this motion

Several Honourable Members Sir the question be now put

Mr N M Joshi Sir may I point out that only three members have spoken in a House of 140 members Do you think Sir that this motion has been fully debated upon?

Several Honourable Members You have already had seven days

Mr N M Joshi It is a question of this motion Are three speakers enough to complete a discussion of the motion?

Shri Satya Narayan Sinha (Darbhanga *cum* Saran Non Muhammadan) Let the House decide

Mr N M Joshi It is not for the House to decide It is for the Chair to decide and I would request you Sir not to give up your power

Mr Deputy President Standing Order 34 says

"At any time after a motion has been made, any member may move 'That the question be now put' and unless it appears to the President that the motion is an abuse of the rules or these standing orders, or an infringement of the right of reasonable debate the President shall then put the motion 'That the question be now put'"

Mr N M Joshi May I ask you, Sir has there been a reasonable debate on this motion?

Mr. Deputy President I think that the debate has gone on a pretty long time and if Honourable Members make lengthy speeches, I cannot stop them

(Mr N M Joshi rose in his seat)

I am afraid at the end of a long day and after all this debate clause by clause, I do not see any reason to use my special powers not to accept closure

Mr N M Joshi Not special powers, Sir, but ordinary powers

Mr Deputy President It is a special power

The question is

'That the question be now put

The motion was adopted

The Honourable Shri Jagjivan Ram Sir, at the fag end of the day I do not want to make any lengthy speech I must congratulate the Honourable Members of the House for the help and cooperation which they have extended in the consideration of the clauses of this Bill I take this opportunity especially to thank my Honourable friend Mr N M Joshi for the tenacity with which he has persistently pressed his amendments to the various clauses It is another thing that most of his amendments were rejected by the House but I must praise his tenacity On many an occasion he has blamed the Government I do not claim on the part of the Government a monopoly of wisdom as Mr Joshi has claimed There are many things which the Government proposes to do for the benefit of the labouring classes Nobody can charge us that so far we have done nothing

Mr N M Joshi What have you done?

The Honourable Shri Jagjivan Ram Since assumption of office, I would ask my Honourable friend Mr Joshi conscientiously to say whether we have introduced some beneficial measures for the working classes or not I still challenge him to say whether we have not introduced some measures which will prove very much beneficial to the working classes of this country We are proposing to bring in soon various other measures for the improvement of the condition of the working classes of this country

I know and everybody knows that the labour unrest which is prevailing not only in this country but throughout the world is the aftermath of the war As it has always been after a war of such gigantic dimension labour unrest is bound to take place But the question is whether in the interest of the workers themselves who in the fight between the employers and the employees are the weaker party, the Government with any sense of responsibility towards the weaker party is to stand aside and see the fight between the employers and employees? I feel Sir, in the interest of the workers themselves the intervention of the Government is necessary Apart from any other consideration, apart from the consideration of looking to the benefits of the society as a whole, in the interest of the workers themselves the intervention of the Government is necessary and this is what the Bill seeks After the passing of this Bill Government can reasonably intervene in any conflict between the employers and the employees It may be, and I am sure it shall be, in many cases that where the workers are on the point of losing in their fight with the employers, by the intervention of the Government they shall stand to gain I do not want to dilate on all these points There has already been an abnormally long debate on this Bill

I once more congratulate and express my gratitude to the Honourable Members of this House, especially the labour members, for assisting me in piloting this Bill through this House

6 P. M

Mr Deputy President The question is

'That the Bill, as amended, be passed"

The Assembly divided

AYES—33

Banerjee, Srec Satyapriya
Phalja, Mr G S
Bhattacharyya, Rai Bahadur Devendra Mohan
Gadgil, Sjt N V
Gokhale, Mr B K
Griffiths, Mr P J
Hirve, Capt G T B
Hutzel Mr M V F
Ishaq Seth Haji Abdus Sattar Haji
Jagannathdas, Srn
Jagjivan Ram, The Honourable Shri
Jhunjhunwala, Mr B P
Joshi Mr S C
Kanungo Sir Pheroze
Lal Mr Shavax A
Lawson Mr C P
Liaquat Ali Khan The Honourable Mr
Mangal Singh, Sardar
Martin, Mr W M
Mulat Bihari Lal Bhargava, Pandit
Nazimuddin, Khwaja
Ormiston Mr J F
Punjabi Mr K L
Reddiar Sri R Venkatasubba
Saksena Shri Mohan Lal
Satalopachari, Sri T V
Sinha Shri Satya Narayan
Sukhdev Seth
Thakur Das Bhargava Pundit
Turner Mr V C
Tyson Mr Geoffrey W
Varma Mr B B
Zia Uddin Ahmad, Dr

NOES—3

Guruswami, Mr S
Joshi, Mr N M
Kaur Miss Maniben

The motion was adopted

The Assembly then adjourned till Eleven of the Clock on Saturday the 22nd February 1947

LEGISLATIVE ASSEMBLY

Saturday, 22nd February, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr President (The Honourable Mr G V Mavalankar) in the Chair

MEMBER SWORN

Mr Alfred Augustus Brown, M L A (Government of India Nominated Official)

STARRED QUESTIONS AND ANSWERS

(*a*) ORAL ANSWERS

Mr President As regards the questions to be answered by the Honourable the Commerce Member, he wished to have my permission to have the questions in his name postponed A friend of his died suddenly at Ahmedabad this morning and he would like to go there

(At this stage the Honourable Mr I I Chundrigar was seen entering the House)

What I was saying was that on account of the sudden emergency he wants to leave by the 12 o clock plane and therefore he had made a request to me either to take his questions first or to postpone them, in case he was unable to come Now that he is here he will answer first all his questions †

TERMIN

480 *Mr Ahmed E H Jaffer (a) Will the Honourable the Commerce Member please state when the trade agreement between India and the Union of South Africa was terminated?

(b) Is it a fact that Government promised in March last that steps would be taken to prevent exports from India reaching the Union of South Africa through indirect channels?

(c) Is it a fact that large supplies of jute bags have been exported to the Union of South Africa from Ceylon and that there has been flourishing business between Ceylon and South Africa in jute bags?

(d) What are the reasons for their failure to prevent exports of India's goods to South Africa through Ceylon?

(e) When did Government send a protest to Ceylon about the export of jute bags to South Africa?

(f) What steps have been taken to prevent the export of Indian goods to South Africa through other channels than Ceylon?

(g) Is it a fact that there is a large re export of Indian goods in progress in various parts of the world?

(h) Do Government propose to make a statement on this subject in the House?

The Honourable Mr I I Chundrigar (a) On the 26th June 1946

(b) Yes, Sir

†These questions and answers have however been printed serially in these Debates —*Ed of D*

(c), (d) and (e) It was towards the end of November 1946 that our Trade Commissioner in Ceylon first reported the possibility of used gunnies being re-exported from Ceylon to South Africa Our Representative was thereupon instructed to take up the matter immediately with the Government of Ceylon, and although about 327,996 used gunnies were shipped to South Africa while his representations were under consideration the Ceylon Government subsequently decided not to permit further exports and also agreed to cancel all outstanding licences for export to South Africa

(f) (1) A special watch is kept over exports to destinations and territories through which goods of Indian origin are likely to pass into South Africa

(2) The export of scarce commodities, as for example jute goods and cotton textiles to the territories contiguous to South Africa is so regulated as to provide strictly for their internal requirements only In addition assurances have been obtained from some of the Administrations concerned to the effect that adequate administrative measures will be taken by them to prevent diversion or re exports to other destinations of consignments intended for them

(g) Presumably the Honourable Member refers to re-exports to South Africa If so, the answer is in the negative

(h) I have nothing to add to the information that has already been furnished to the House on the subject

481 * and 482 Mr Ahmed E H Jaffer I do not propose to put Questions Nos 481 and 482 for the reason that the sub parts of the main question have been disallowed and the whole sense of the question is lost I do not want to put these questions

Haji Abdus Sattar Haji Ishaq Seth What happens to the answers to these two questions which my Honourable friend says he is not putting? Are they expunged from the proceedings or are they printed in the proceedings? What is the procedure?

Mr President They are treated as withdrawn and therefore no replies will be printed

483 *—487 * [Withdrawn]

ADVISORY PLANNING BOARD

488 *Pandit Sri Krishna Dutt Paliwal Will the Honourable the Leader of the House please state

(a) if the Advisory Planning Board has completed its work and submitted its report

(b) if so whether Government propose to lay it on the table of the House, and

(c) the recommendations it has made regarding (i) objectives (ii) priorities and (iii) the future machinery of Planning?

The Honourable Pandit Jawaharlal Nehru (a) Yes

(b) The report was published early this month and copies have been placed in the Library

(c) It is contained in Parts II and IV of the Report

Pandit Sri Krishna Dutt Paliwal Has the recommendations of the Planning Board been accepted and implemented by Government?

The Honourable Pandit Jawaharlal Nehru No Sir They have not been fully considered by Government yet The first step taken was to publish the report and the report has been sent to various departments for their comments thereon and the matter will come up before the Government in the course of the next two or three weeks

Shri Mohan Lal Saksena Will copies of the report be circulated to Honourable Members of this House?

The Honourable Pandit Jawaharlal Nehru I do not know how many copies are available for the purpose If any Honourable Member wishes to have a copy, I shall certainly try and see if he can be supplied one

WAGES FOR LABOUR IN COAL MINES

489 *Pandit Sri Krishna Dutt Paliwal Will the Honourable the Labour Member please state

(a) whether a committee was appointed to examine the question of reasonable wages for various categories of labour in coal mines,

(b) if so, the recommendations the committee has made, and

(c) if not, when the committee is expected to submit its report?

The Honourable Shri Jagjivan Ram Attention is invited to my answer given on 10th February 1947 to question No 148

EXPORT OF RAW BONES FROM INDIA

490 *Mr C P Lawson (a) Will the Honourable the Commerce Member be pleased to state whether it is a fact that the export of raw bones from India has been restricted, if so, to what extent?

(b) What are the present prices for uncrushed bones, crushed bones and bone meal when sold (a) for export, and (b) for indigenous consumption?

(c) Is India at present in a position to make the most economical use of the bones now retained by extracting glues, gelatines and fats before using the residue for agricultural purposes?

(d) Is it the policy of Government to continue to control the export of bones after the end of March 1947?

(e) Are Government aware that a valuable export market is being lost by the present restrictions and can such losses be justified by full economic utilisation within the country?

The Honourable Mr I I Chundrigar (a) Export of uncrushed bones and bone meal is prohibited but export of crushed bones and bone grists is permitted In August last a quota of 40,000 tons was fixed for the year ending 31st March 1947 but as the quota had already been exhausted and accumulation of stocks has been reported, it was decided to consider the quota period as complete on the 31st December 1946 instead of 31st March 1947 and also to allow export of the stocks in possession of exporters on the 9th December 1946 if covered by firm contracts from overseas buyers

(b) Exports of uncrushed bones and bone meal are not allowed On the other hand crushed bones are not used in India The present prices of crushed bones for export are Rs 300 to Rs 350 per ton f o r ports The market prices of uncrushed bones and bone meal are Rs 120 and Rs 180 to 200 per ton, respectively

(c) Some firms have equipment for the manufacture of glue gelatine etc and a number of firms are erecting suitable equipment for the recovery of these substances

(d) Yes Sir A quota of 40,000 tons of crushed bones and bone grists has been fixed provisionally for the calendar year 1947

(e) The present restrictions on export even though they entail some loss of export market are considered essential by Government in the interest of the industrial and agricultural development of this country As stated in part (c) of the answer a headway is being made in economic exploitation of bones within the country

Mr C P Lawson In view of the restrictions that are placed on the export of crushed bones which the Honourable Member has just told us cannot be used for indigenous agricultural purposes, is he aware that such restrictions are resulting in lack of collections of raw bones which are now no longer worth collecting in the country-side?

The Honourable Mr I I Chundrigar If Government comes to the conclusion that any accumulations of crushed bones not required in the country has taken place, Government will review the situation

Mr. C P. Lawson In view of the Honourable Member's own statement that crushed bones are, in fact a by product of the production of bone meal and in view of his statement that they cannot be used for agricultural purposes will the Honourable Member remove the ban on the export of crushed bones completely?

The Honourable Mr I I Chundrigar There is a possibility of a complete removal of the ban on the export of crushed bones being misused It is possible that bones may be crushed merely for the purpose of export and Government is not prepared to cancel the ban

Mr C P Lawson May I ask the Honourable Member just one more question? He said the other day that he would look into the matter whether the Bombay Government had refused permission to export any bones through the port of Bombay although they may be supplied by provinces who wish to export crushed bones Will he let me know the result of his enquiries?

The Honourable Mr I I Chundrigar The result of the inquiry is awaited

Pandit Lakshmi Kanta Maitra Is the Honourable Member in a position to give us an idea of the quantity of surplus crushed bones that are not used for manure purposes?

The Honourable Mr I I Chundrigar As I said the valuable ingredient for manure purposes is bone meal which is first extracted and the balance which is left is called the crushed bones, which are allowed to be exported

[illegible] MOVE OF GOVERNMENT OFFICES FROM SIMLA AND ELSEWHERE TO DELHI

491 *Mr C P Lawson (a) Will the Secretary of the Works, Mines and Power Department be pleased to state whether it is a fact that a number of Departments of Government have been moved to Delhi since the end of the war, which were previously situated elsewhere?

(b) Is it a fact that these moves have made it necessary to retain requisitioned accommodation in Delhi for longer than would otherwise have been necessary?

(c) Did the Departments concerned enquire from the Department of Works, Mines and Power as to whether the action was desirable from the point of view of the accommodation position in Delhi before giving effect to these moves if so what was the Department's reply?

(d) Had any survey been made of the accommodation position in other parts of India before adding to the congestion in Delhi in this manner?

(e) Is it a fact that certain Departments of Government have been moved from Simla to Delhi although the accommodation position in the former place is much better than in the latter?

Mr B K Gokhale (a) Yes

(b) An increase in the number of Departments of Government certainly involves increased pressure on accommodation in Delhi But how far this would affect the period of continuance of requisitioning in Delhi is a matter of opinion

(c) There is an Accommodation Advisory Committee with the Secretary to the Cabinet as Chairman to consider the problem of accommodation of Government of India offices and officers, especially in New Delhi, Old Delhi and Simla

A representative of the Department of Works, Mines and Power is a member of this Committee The moves in question were approved by this Committee

(d) No regular survey has been made of the accommodation position in other parts of India, but the Accommodation Advisory Committee is generally aware of the position, particularly at Delhi and Simla

(e) Yes Government are, however, reconsidering the question of moving certain offices from Delhi to Simla

Mr C P Lawson Did I hear my Honourable friend say that where it is a fact that the pressure on accommodation caused by bringing into Delhi a number of departments for which there was not sufficient accommodation has increased, the requisitioning position was a matter of opinion? Does the Honourable Member seriously mean to tell us that the general pressure on accommodation does not affect the general requisitioning position in Delhi?

Mr B K Gokhale I said that the move of certain offices from Simla to Delhi definitely meant greater pressure on accommodation here But how far it would affect the progress of derequisitioning I said, was a matter of opinion There are various considerations involved In answer to part (e), I said the Government are reconsidering the question of moving certain offices from Delhi to Simla Then there are also questions of new construction and so on That is why I said it was a question of opinion how far it affects the progress of derequisitioning

Mr C P Lawson May I therefore ask my Honourable friend whether he will alter his reply from the point of view of opinion to the point of view of fact and tell this House whether in fact bringing in all these departments did not make requisitioning position in this City very much more difficult?

Mr B K Gokhale The reply has already been given and I can hardly alter it

Mr C P Lawson The Honourable Member said that no enquiries were made regarding accommodation in other parts of this country before these moves were effected Will he now tell this House whether in future such enquiries will be made before departments, such as the Pensions Department whose presence in this City is not at all essential are moved to Delhi?

Mr B K Gokhale The whole question is now under the active consideration of Government and the proposal now is to shift some offices from Delhi to Simla In that connection the accommodation position in various parts of India is certainly being examined

Lala Deshbandhu Gupta May I know if it is a fact that Government have prepared no plans to put up more buildings and no thought has been given to this question by the Health Department so far and there is no building programme before Government to ease the housing situation in Delhi?

Mr B K Gokhale The question of building programme comes under the next question

De Requisitioning of Accommodation in Delhi

492 *Mr C P Lawson (a) Will the Secretary of the Works, Mines and Power Department be pleased to state the percentage of de requisitioning in Delhi under the following heads (i) housing accommodation (ii) office accommodation, and (iii) storage accommodation?

(b) When do Government expect that the balance will be de-requisitioned?

(c) Under the three heads indicated in part (a) above, will Government please indicate what new construction is (i) completed, (ii) in the course of construction, and (iii) contemplated?

(d) What steps are being taken to increase private accommodation for the civil population and what additions are expected in 1947?

Mr B K Gokhale (a) The percentage of de-requisitioning in Delhi is as follows (i) 24 (ii) 30 (iii) 43

(b) As regards office accommodation Government expect to release all requisitioned property very shortly As regards other types of accommodation Government will release requisitioned property as soon as they are in a position to find or build alternative accommodation

(c) A statement is placed on the table of the House showing the building programme This does not include Government accommodation contemplated as part of the many post war development schemes for Delhi and for the Police

(d) A panel consisting of officials and non officials to help accelerate the construction of public and private buildings has been set up The panel holds monthly meetings and devises ways and means of securing maximum building materials shortage of which is mainly responsible for the slow progress in house building Steps are being taken by the Delhi Improvement Trust to encourage construction of new buildings by lessees of plots of land The Trust are also prepared to undertake a number of large rehousing schemes not only to accommodate those from slum clearance schemes but also generally to ease the pressure in the City It is hoped that a number of private official and Improvement Trust houses will be completed within the next year but owing to the uncertainty of the availability of building materials and the inevitable time lag necessary for the preparation of designs plans estimates, etc it is not possible to say definitely at this stage what additions to private accommodation would be made in 1947

Statement

New Construction in Delhi

	Completed	In the course of construction	Contemplated
Housing accommodation	27 semi detached officers' bungalows near Willingdon Crescent	3 semi detached bunglows	Old Delhi— 10 houses for officers of the Delhi Administration, 8 officers' semi detached bungalows, 1,000 clerks, quarters, 250 peons' and daftrys' quarters New Delhi— 200 officers flats, 2000 clerks' quarters 1,000 peons' quarters
Office accommodation	Nil	One additional block for the Chief Commissioner's office	The erection of an entirely new kutchery for all the officers of the Delhi District Administration
Storage accommodation	Storage accommodation with a total capacity of 11 550 tons	Nil	Three type II godowns at Roshanara Depot with a total storage capacity of 1,800 tons

Mr C P Lawson Is the Honourable Member taking steps to see that supplies of building materials are made available for this purpose and given reasonable priority on the railways so that they may be brought here?

Mr B K Gokhale I stated in reply to part (d) that a panel has been set up for this very purpose The matter is being dealt with by the Industries and Supplies Department, and, if the Honourable Member wants to have further details he might put down a question for that department

Mr C P Lawson Surely it will be within the knowledge of the Honourable Member who is entrusted with the arduous duties of replying to these questions whether priority is given to the building materials that he so greatly needs and whether an attempt will be made to obtain such materials?

Mr B K Gokhale The panel is devising ways and means to secure the maximum building materials and certainly has the question of priority under consideration But the further details, I must confess are not within my knowledge, and that is why I suggested that the question might be addressed to the Industries and Supplies Department which deals with this particular question

Lala Deshbandhu Gupta Is it a fact that the Government of India have so far prepared no plans to help private builders and the municipalities to carry on their building programmes, and the Improvement Trust has also prepared no building programme so far of its own?

Mr B K Gokhale The Improvement Trust has a definite building programme of which I gave some details The Chief Commissioner is constantly thinking of this matter I may add that this question of private house building is in charge of the Health Department of Government my department only deals with the question of buildings for Government purposes The Health Department has called an inter departmental meeting on the 25th of this month to further consider the question of private house building how material could be made available how private housing could be expedited If any further information is required I suggest that a question might be tabled for that department

Pandit Sri Krishna Dutt Paliwal What is the composition of the panel?

Mr B K Gokhale I cannot answer without notice

REQUEST FROM THE ESTATE OFFICER DELHI FOR THE RETURN OF REQUISITIONED ACCOMMODATION BY PROVINCIAL GOVERNMENTS

493 *Mr C P Lawson (a) Will the Secretary of the Works Mines and Power Department be pleased to state whether the Estate Officer in Delhi has on occasions requested Provincial Governments to return requisitioned accommodation in order to accommodate Central Departments or their officers resident in those Provinces?

(b) Before doing so has he invariably made enquiries both in the Provinces and at the Centre as to whether vacant accommodation is already available and in the possession of Government Departments in these places?

(c) Is it a fact that in certain places accommodation in Central Government hostels has been made available to non officials at rates higher than charged to officials so that it should not be empty although residential accommodation is still under requisition for the use of Central officers?

Mr B K Gokhale (a) No But the Estate Managers at Bombay and Calcutta requested the Provincial Governments concerned to extend requisition orders due to expire on 30th September 1946 following a similar request made by Defence Department to Provincial Governments

(b) The Estate Officer maintains up-to date information about the Government of India accommodation position at Delhi and in the few Provincial centres where there is large concentration of Central Government Offices Enquiries are made from time to time to keep the information up to date

(c) Yes

Mr C P Lawson Is the Honourable Member bearing in mind the case which I brought to notice in which the accommodation of a private citizen in Calcutta was held for requisitioning after the 30th September and he himself was in fact offered accommodation in a Government hostel?

Mr B K Gokhale I do not quite remember the case, but if the Honourable Member refers to the case of the railway official who was occupying Government quarters orders have been issued that he must vacate as soon as possible and the quarters will be derequisitioned as soon as he vacates them

STATEMENT *re* COMMUNAL DISTURBANCES IN BIHAR

494 *Mr Ahmed E H Jaffer (a) Will the Honourable Member for External Affairs be pleased to inform the House whether he consulted the Cabinet before making the statement on the Communal Disturbances in Bihar and Delhi in November last?

(b) Did he consult the whole Cabinet?

The Honourable Pandit Jawaharlal Nehru (a) and (b) The statement in question was made in answer to two short notice questions It was a personal statement following my visit to Calcutta and Bihar in the beginning of November 1946

Mr Ahmed E H Jaffer Is it not a fact that those two short notice questions were asked of the Honourable Member as Leader of the House? May I know how it can be taken as a personal statement?

The Honourable Pandit Jawaharlal Nehru The answers were given in regard to certain personal experiences of mine

Mr Ahmed E H Jaffer Sir may I have your ruling on this whether the Leader of the House can make a personal statement in this House as an individual and not as a Member of Government?

Mr President It is hardly a question for any ruling If information is asked for of which he has personal knowledge I do not think there is anything wrong if he makes a statement

Mr Ahmed E H Jaffer I only want to know if the Leader of the House can make a statement without consulting the Cabinet

Mr President That is a matter for the Leader of the House to decide It is his own responsibility to make a statement Next question

IMPOSITION OF FINE ON TRIBESMEN FOR INCIDENT NEAR LANDI KOTAL

495 *Mr Ahmed E H Jaffer (a) Will the Honourable Member for External Affairs please state whether it is a fact that a fine was imposed on certain tribes of the Frontier on account of an incident near Landi Kotal during the Honourable Member's visit to that Area?

(b) If so do Government propose to consider the question of remission of the fine?

(c) Is it a fact that the tribes in question have refused payment of the fine?

The Honourable Pandit Jawaharlal Nehru (a) A fine of Rs 5 000 was imposed on the Khyber tribes

(b) No

(c) No The fine has been paid

COMMUNICATION FROM THE FAKIR OF IPI

496 *Mr Ahmed E H Jaffer (a) Will the Honourable Member for External Affairs please state if he has received from the Fakir of Ipi any communication since the Honourable Member's visit to the Frontier?

(b) Does the Honourable Member propose to pay another visit to the Frontier at an early date?

(c) How many letters has he received in recent weeks from the Fakir of Ipi?

(d) Will the Honourable Member please place on the table of the House copies of all such letters?

(e) Is the Honourable Member satisfied that the letters from the Fakir addressed to him are genuine?

(f) Has the Honourable Member received from the Pir Saheb of Manki Sharif a report on his recent visit to the Fakir of Ipi? If so, will he lay a copy of it on the table of the House?

The Honourable Pandit Jawaharlal Nehru (a) No

(b) No date for my visit has been fixed. Owing to stress of work and the meetings of the Legislative and Constituent Assemblies it is not easy for me to leave Headquarters.

(c), (d) and (e) No letter has been received in recent weeks from the Fakir of Ipi.

(f) No communication has been received from the Pir Saheb of Manki Sharif.

PERSONAL REPRESENTATIVES TO EUROPEAN CAPITALS

497 Mr Ahmed E H Jaffer (a) Will the Honourable Member for External Affairs please state how many personal representatives he has recently appointed to visit European Capitals?

(b) Has the Honourable Member recently appointed Mr K P S Menon as his representative in Europe in addition to Mr Krishna Menon, and who has been selected as Ambassador to Moscow?

(c) What special qualifications have Mr K P S Menon and Mr Krishna Menon?

(d) Does the Honourable Member consult his Cabinet as a whole in making such appointments?

(e) What remuneration has been sanctioned for Mr Menon?

The Honourable Pandit Jawaharlal Nehru (a) Mr V K Krishna Menon was commissioned to take a personal message from me to M Molotov in Paris in September 1946 mainly in connection with the possibility of obtaining foodgrains for India from the U S S R. Later he was appointed as the Government of India's Special Representative to conduct exploratory conversations on the subject of the establishment of diplomatic relations with various countries in Europe. He has visited a number of European capitals in this connection and the result of these visits has been satisfactory.

(b) No. Mr K P S Menon has been appointed Ambassador to China and is leaving in a day or two to take up his post there.

(c) Mr K P S Menon is a senior and distinguished member of the Indian Political Service. He has had a varied career in this Service and was Agent-General to the Government of India in China till his appointment as Ambassador.

Mr Krishna Menon had a first class record at the University of London and has played a distinguished part in public work on behalf of India in the United Kingdom and in other countries in Europe.

(d) The proceedings of the Cabinet are secret and no public reference can be made to them.

(e) It is not clear to which Mr Menon the Honourable Member refers. Mr K P S Menon receives Rs. 4,500 per mensem consolidated pay. Mr Krishna Menon's appointment is honorary. He receives actual expenses only.

Mr Ahmed E H Jaffer: Has the Honourable Member's attention been drawn to a news agency cable which appeared in certain Indian newspapers recently that Mr Krishna Menon's appointment as Government of India's representative will come to an end after his present visit to Sweeden and Norway? If so, is that report correct?

The Honourable Pandit Jawaharlal Nehru I do not remember seeing that particular message, but Mr Krishna Menon's appointment is not a permanent appointment It is a Mission which naturally comes to an end when he has finished the work

Mr Ahmed E H Jaffer May I take it, therefore, that his work will come to end as soon as his visit to Norway and Sweden is over?

The Honourable Pandit Jawaharlal Nehru There is no question of a visit to Norway and Sweden He was asked to visit a number of European countries and among them are Norway and Sweden I do not know if any other places remain to be visited, it may be that one or two other places have to be visited after Norway and Sweden But the point is that it was a specific Mission with which he was entrusted and he was asked to report finally after he has finished this, presumably he will report finally next month

Sardar Mangal Singh In reply to part (a) of the question the Honourable Member has not stated the number The question is how many personal representatives he has recently appointed to visit European capitals?

The Honourable Pandit Jawaharlal Nehru There is no number about it I said that except for Mr Krishna Menon who took a personal message to M Molotov from me nobody has been appointed as personal representative

Sardar Mangal Singh The reply therefore is only one

The Honourable Pandit Jawaharlal Nehru Yes

Mr Ahmed E H Jaffer Will the Honourable Member kindly repeat his reply to part (d) of the question?

The Honourable Pandit Jawaharlal Nehru I said the proceedings of the Cabinet are secret and no public reference can be made to them

Mr Ahmed E H Jaffer I do not want to know the secrets of the Cabinet I only want to know whether the Cabinet is consulted in making such appointments I do not want the Honourable Member to divulge to the House any secrets of the Cabinet

The Honourable Pandit Jawaharlal Nehru In this particular case I might inform the Honourable Member that Mr Krishna Menon's appointment on a mission was put before the Cabinet and was agreed to by it

RULES *RE* RECRUITMENT TO FOREIGN DIPLOMATIC SERVICE

498 *Sardar Mangal Singh Will the Honourable Member for External Affairs please state

(a) whether any rules have been made for the recruitment to the foreign diplomatic service and when the recruitment to this service is likely to begin,

(b) whether recruitment will be made through the Federal Public Service Commission or whether it will be done by nomination and

(c) whether any arrangements for the candidates training are also contemplated if so what they are?

The Honourable Pandit Jawaharlal Nehru (a) and (b) I would refer the Honourable Member to my statement in answer to a question put by the Honourable Professor Ranga on the 5th February 1947 It is expected that an advertisement will be published shortly by the Federal Public Service Commission calling for applications for entry to the Indian Foreign Service

(c) The Honourable Member is referred to my answer to question No 374 put by the Honourable Seth Govind Das on the 18th February 1947

Sardar Mangal Singh May I know whether these rules for recruitment will be put in the library of the House?

The Honourable Pandit Jawaharlal Nehru Certainly A copy of the Notification issued by the Federal Public Service Commission will be placed there Any other document that the Honourable Member requires, if he asks for it I shall gladly send it to him

Sardar Mangal Singh May I ask whether in making appointments to this Service the communal proportions would be adhered to?

The Honourable Pandit Jawaharlal Nehru Selections, as I have stated already, will be made by the Federal Public Service Commission The Federal Public Service Commission functions I understand, with a view to keeping the communal proportion as far as possible and the Government has that in view also

Sardar Mangal Singh May I know whether the Government of India have issued instructions to the Federal Public Service Commission on this question?

The Honourable Pandit Jawaharlal Nehru There is no question of instructions If I may say so, being unaware of the Federal Public Service Commission's powers in this respect a certain error was made not by me but the Cabinet and it was originally suggested that a committee of the Cabinet should make these selections Later the Federal Public Service Commission pointed out that the Cabinet was going beyond its functions and that it was their business to select So far from telling them what to do they resent any intrusion from any outsider

Sardar Mangal Singh At present recruitment to the various services of the Central Government are made according to the famous communal proportion Resolution and instructions are given to the Federal Public Service Commission by the Government of India in accordance with this Resolution I want to know whether some formula will be adopted in this case also?

The Honourable Pandit Jawaharlal Nehru But I have said that I am sure the Federal Public Service Commission will bear that in mind It is an important matter and they have to bear that in mind

Sreejut Rohini Kumar Chaudhuri May I know whether selection of the candidates who are already in Government service will be made through the Federal Public Service Commission?

The Honourable Pandit Jawaharlal Nehru No Sir

Lala Deshbandhu Gupta In view of the fact that this service requires a very broad outlook on the part of those engaged in it, will Government consider the desirability of asking the Federal Public Service Commission not to observe the rule of maintaining communal proportions? (No reply was given)

Haji Abdus Sattar Haji Ishaq Seth Arising out of the reply that the Honourable the Leader of the House gave to my Honourable friend Mr Chaudhuri's question namely that those who are already in Government Service are not to be selected by the Federal Public Service Commission, may I know who is to select them?

The Honourable Pandit Jawaharlal Nehru They will be selected by the normal course in which such people are selected by various departmental methods of selection

EXPORT OF JUTE BAGS FROM INDIA TO SOUTH AFRICA

499 *Sardar Mangal Singh Will the Honourable Member for Commonwealth Relations please state

(a) whether it is a fact that a flourishing trade between Ceylon and South Africa in jute bags is still going on thus nullifying the ban on export of jute bags from India,

(b) the action the Government of India have taken to prevent it and whether Government are satisfied that their action has been completely effective, and

(c) whether Government propose to take suitable steps to warn our representative in foreign countries to be more vigilent in future in this respect?

The Honourable Pandit Jawaharlal Nehru (a) No, Sir Not at present

(b) Recently the Government of Ceylon issued licences for the export of about 800,000 used and surplus gunny bags from Ceylon to South Africa Immediately on receipt of information in this respect, the Government of India, through their Representative in Ceylon, made representations to the Government of Ceylon for prohibiting the export of gunny bags to South Africa While the Government of India's representation was under the consideration of the Government of Ceylon, 3,27,996 gunny bags were shipped from Ceylon to South Africa On further representations made by the Government of India, the Government of Ceylon have cancelled all outstanding licences for the export of gunny bags to South Africa

(c) Even with the utmost vigilance on the part of our Representatives it may not be always possible to obtain previous information about such exports Action for the prevention of such exports can, therefore, be taken only when information about such exports comes to the knowledge of the Government of India or their Representatives But the Honourable Member may rest assured that the Government of India will not desist from taking such steps as are necessary to ensure that their sanctions against South Africa are not set at naught

Sardar Mangal Singh May I know whether the Government of India have made enquiries as to the number of gunny bags now exported to Ceylon from India?

The Honourable Pandit Jawaharlal Nehru I am afraid I cannot give the figures without further enquiries

Sardar Mangal Singh My point was whether the number is now less than what it was before when gunny bags were re-exported from Ceylon to South Africa?

The Honourable Pandit Jawaharlal Nehru I am sorry I cannot give that information without enquiries

Mr Ahmed E H Jaffer Is the Honourable Member aware that these are now being exported to East Africa from where they are being re-exported to South Africa and if so what action is being taken to stop this?

The Honourable Pandit Jawaharlal Nehru I shall be glad if the Honourable Member sends us some definite information about that so that we can take steps

INDIANS IN INTERNATIONAL ORGANISATIONS

500 *Sardar Mangal Singh Will the Honourable Member for External Affairs please state

(a) the number and names of International Organisations of which India is a member

(b) the number of Indians employed in each of these Organisations separately, and the total number of employees in those organisations,

(c) the number of Indians employed in the office of the Indian High Commissioner in London, and

(d) whether Government propose to make an annual statement about the position of Indians in these international organisations?

The Honourable Pandit Jawaharlal Nehru (a) and (b) A statement containing the required information so far as it is available, has been laid on the table

(c) 106

(d) Government are continually reviewing the position, and will be glad to give information on the subject whenever requested to do so

Statement showing the Internanational Organizations of which India is a member and the staff employed by them

Serial No	Name of International Organization	Total Number of staff employed	Total Number of Indians employed	Remarks
1	2	3	4	5
1	The International Railway Congress Association, Brussels	No information available	No information available	
2	The Food and Agriculture Organization of the United Nations Washington	307	2	
3	The International Emergency Food Council, Washington	50	None	
4	The Siam Rice Commission Bangkok	No information available	No information available	
5	The International Council of Scientific Unions	Do	Do	These are Scientific Societies intended for coordination of research at an International level and their Presidents and Secretaries appear to be honorary The staff employed is very small
6	The International Union of Geodesy and Geophysics	Do	Do	
7	The International Union of Geography	Do	Do	
8	The United Nations Educational Scientific and Cultural Organization Paris	Do	None	The Organization started functioning recently and the question of the recruitment of staff is still under consideration
9	The International Commission on High Dams Paris	Do	No information available	
10	The International Electro Technical Commission London	Do	Do	
11	The World Power Conference London	Do	Do	
12	The International Military Tribunals for the Far East	Do	2	
13	The International Committee of the Red Cro	Do	1	
14	Office International d Hygiene Publique, Pari	Do	None	

Serial No	Name of International Organization	Total Number of staff employed	Total Number of Indians employed	Remarks
1	2	3	4	5
15	Interim Commission of the World Health Organization	19	None	
16	The Permanent International Association of Road Congresses	No information available but the Association has not a large staff	None	
17	The International Labour Organization, Montreal	282	15	
18	The Inter Governmental Committee on Refugees, London	No information available	None	The Government of India will cease to be a member from 31st December 1947
19	The Provisional International Civil Aviation Organization Montreal	Do	No information available	The Organization has asked for applications from Indians and some have been forwarded No information about selections is yet available
20	The International Commission for Air Navigation Paris	Do	Do	India will cease to be a member from April 1947
21	The International Telecommunications Union Berne	Do	Do	
22	The Universal Postal Union Berne	Do	Do	
23	The International Meteorological Organization Switzerland	Do	Do	
24	The International Telegraph Consultation Committee	Do	Do	India is represented in these Committees when necessary
25	The International Telephone Consultation Committee	Do	Do	
26	The International Consultation Committee for Radio Communications	Do		
27	The International Monetary Fund Washington	226	1	In addition one Director and one Alternate Director are also Indians

Serial No	Name of International Organization	Total Number of staff employed	Total Number of Indians employed	Remarks
1	2	3	4	5
28	The International Bank for Reconstruction and Development	178	1	In addition one Director and one Alternate Director are also Indians
29	The International Tea Committee London	No information available	No information available	
30	The International Tea Market Expansion Board, London	Do	Do	
31	The International Cotton Advisory Committee Washington	Do	Do	
32	The United Nations Relief and Rehabilitation Administration Washington	Do	36	
33	The International Wheat Council Washington	Do	No information available	
34	The Inter Allied Reparations Agency Brussel	Do	One Indian was employed until recently but has since left Question of recruitment of Indians has been taken up with the Secretary General of the Agency	
35	The United Nations Organization New York	2992	8	
36	The Far Eastern Commission	No information available	No information available	

POSITION OF INDIANS IN SOUTH AFRICA

501 *Sardar Mangal Singh (a) Will the Honourable Member for Commonwealth Relations please make a statement of the latest position of Indians in South Africa?

(b) Do Government propose to fix a day for the discussion of the South African question by this House at an early date if not, why not?

The Honourable Pandit Jawaharlal Nehru (a) and (b) As the House is aware the question of the treatment of Indians in South Africa was submitted by Government to the General Assembly of the United Nations for consideration at its last session On 8th November the General Assembly passed the following resolution

THE GENERAL ASSEMBLY

HAVING taken note of the application made by the Government of India regarding the treatment of Indians in the Union of South Africa and having considered the matter

1 STATES that because of that treatment friendly relations between the two Member States have been impaired and unless a satisfactory settlement is reached, these relations are likely to be further impaired

2 IS OF THE OPINION that the treatment of Indians in the Union should be in conformity with the international obligations under the agreements concluded between the two Governments and the relevant provisions of the Charter

3 THEREFORE REQUESTS the two Governments to report at the next session of the General Assembly the measures adopted to this effect

As I stated in reply to Question No 64 put by Shri Ram Narayan Singh on the 5th February 1947, it is natural to expect that the Government of the Union of South Africa will now proceed to take action to remove the grievances of the Indians in South Africa in pursuance of the General Assembly's decision Any such action will be welcomed by the Government of India and will have their co-operation Government are now waiting to see what action the Union Government take and it would be premature and will not serve any useful purpose to have a discussion of this question in this House for the present

GAZETTED APPOINTMENTS IN THE CONSTITUENT ASSEMBLY DEPARTMENT

502 *Sardar Mangal Singh Will the Honourable the Leader of the House please state

(a) the total number of gazetted appointments made in the Constituent Assembly Department and the number of (i) Assistants in charge, (ii) Superintendents, and (iii) Higher Officers, and

(b) the number of Hindus Muslims and Sikhs in each of the above categories?

The Honourable Pandit Jawaharlal Nehru The Government of India do not have the information As the House is aware the Constituent Assembly exercises full control in relation to its own work as well as its Secretariat So far as finances are concerned the Governor General in Council arranges to place a lump sum amount at the disposal of the Assembly subject of course to the vote of this House I am sure the House will appreciate that we should respect the character of the Constituent Assembly and that it would be inappropriate either directly or indirectly to attempt to control its activities or to demand information on matters of detail relating to its internal working

Sardar Mangal Singh When this House sanctions this expenditure is it too much to ask us to the details about its employees when we can interfere in the case of an international organization? The idea is not to interfere in its sovereignty but only to know what is the number of its employees

Lala Deshbandhu Gupta With what object?

The Honourable Pandit Jawaharlal Nehru The Constituent Assembly is in no way a Department of Government It is an autonomous organisation We cannot demand anything from them We can request them for any information which they can supply if they choose or which they may not supply I am sure if the Honourable Member wants to have facts the Secretariat of the Constituent Assembly would gladly oblige him

Sardar Mangal Singh May I know whether my question was sent to the Secretariat of the Constituent Assembly?

The Honourable Pandit Jawaharlal Nehru So far as I know it was not sent

Sardar Mangal Singh Why not?

The Honourable Pandit Jawaharlal Nehru Because it is not a Department of Government to which questions are sent It is entirely apart from it

Mr Ahmed E H Jaffer If I were to write a letter to the Secretary would he supply me with the information I ask for?

Mr President It is for them to answer

The Honourable Pandit Jawaharlal Nehru I should hope so

Sreejut Rohini Kumar Chaudhuri Will the Government take into consideration the desirability of appointing an officer who has experience of the Tribal Areas of the North East Frontier in the Secretariat of the Constituent Assembly?

The Honourable Pandit Jawaharlal Nehru But the Government do not appoint officers in the Secretariat of the Constituent Assembly

Mr. President. Next question

Sreejut Rohini Kumar Chaudhuri I do not follow

Mr. President. The Government do not appoint

Sardar Mangal Singh Are the Members of this House not entitled to have information about the staff of the Constituent Assembly the money for which is sanctioned by this House? When we can ask for details of an International Organisation like the U N O I think we are entitled to have this information I request the Leader of the House to give us the information

The Honourable Pandit Jawaharlal Nehru The Honourable Member appears to have raised a highly constitutional issue I do not know if in the course of an answer to a supplementary question I can deal with constitutional issues in this manner I have no doubt that the President of the Constituent Assembly will gladly supply the information that this House or any Member here wishes to have But it is an entirely different matter, constitutionally speaking if they would like to admit the right of any person outside the Constituent Assembly demanding anything from them

Sreejut Rohini Kumar Chaudhuri May I know if the Government has received any request from the Constituent Assembly for lending the services of any other officer having experience of tribal areas?

The Honourable Pandit Jawaharlal Nehru I do not quite understand Such requests if any, are presumably departmental

Mr Ahmed E H Jaffer Cannot a Member of this House who is also a Member of the Constituent Assembly give us this information?

Mr President I think there is no use pursuing this question

RIVER AND CANAL TRANSPORT

†503 ***Mr Ahmed E H Jaffer** (a) Will the Secretary of the Works, Mines and Power Department please state whether Government propose to call a Conference of Irrigation Engineers to make specific recommendations to Government in regard to present neglect of river and canal transport?

(b) Are Government aware that 94 per cent of the water of Indian rivers at present runs to waste doing incalculable damage to life and property?

(c) Do Government propose to give priority to this subject?

(d) Do Government propose to give an assurance that this matter will not be dealt within a piecemeal manner

(e) Are Government aware that inland Navigation in India is now neglected and that before the present [illegible] river in Upper India and Northern India carried far more traffic

Mr B K Gokhale (a) There is no proposal under consideration to call any such conference The Central Waterways, Irrigation and Navigation Commission which was set up by the Government of India in 1945 has been specifically charged with the duty of making all necessary investigations with a view to the development of navigational facilities At the instance of this Commission, all provincial Governments and Indian States were requested in May 1946 to supply the Government of India with full particulars about their navigable rivers and streams When the necessary information has been received from the Provinces and States the matter will be further considered

(b) Yes, that is roughly the estimate of engineers

(c) Yes, Government will give due priority to the subject among development plans

(d) Government have already accepted the policy of the multi purpose development of our waterways on a regional basis But inland waterways and the traffic thereon falls under entry 18 of the Provincial Legislative List under the Seventh Schedule to the Government of India Act 1935 subject to the provisions of entry 32 of the Concurrent Legislative List which includes shipping and navigation on inland waterways as regards mechanically propelled

†Answer to this question laid on the table, the questioner having exhausted his quota

vessels and the rule of the road on such waterways and the carriage of passengers and goods on inland waterways

(c) Inland navigation has not been completely neglected Navigation facilities exist on the Ganges and the Brahmputra in Eastern India and to a smaller extent on the other big rivers in this country It is however correct that the volume of water borne traffic is now considerably less than it was some time back

CLASSIFICATION OF ARTICLES UNDER THE CUSTOMS TARIFF

504 *Mr C P Lawson (a) Will the Honourable the Commerce Member be pleased to state what authority of Government determines finally the classification under customs Tariff of an article whose classification may be in doubt?

(b) Are Government aware that there have been differences of opinion between the Chief Controller of Imports and the Customs Authorities in Ports as to the classification of articles imported?

(c) As difficulties in this respect are causing considerable inconvenience to importers, do Government propose to appoint a definite authority whose opinion shall be final to determine the classification of articles to be imported and to state definitely whether an import licence is required or not?

The Honourable Mr I I Chundrigar (a) Honourable Member is presumably referring to an imported article and if so classification of goods for the purpose of Import Trade Control is correlated to their classification under the Indian Customs Tariff The proper authorities for deciding the classification are thus primarily the Collectors of Customs at the ports

(b) In view of reply to (a) above there is no question of difference of opinion between the Chief Controller of Imports and the Customs Authorities in the matter In some cases no doubt difficulties about classification do arise and efforts are made to remove them by a reference to the Collector of Customs through the Import Trade Controller concerned In some cases more than one Collector of Customs has to be consulted and when the opinions given are divergent, a ruling on the point is usually obtained from the Central Board of Revenue who communicate the ruling to all ports so as to ensure uniformity of practice

(c) The question of appointing another authority does not arise in view of my reply to (b)

Mr C P Lawson Is the Honourable Member aware that circumstances have arisen in which owing to divergence of opinion regarding the classification of certain goods, goods have been imported which the customs authorities have held to be goods which do not come under open general licence and the importer has therefore been proceeded against by the customs authorities? Will the Honourable Member issue instructions that in such cases no proceedings against the importer should be in view of the fact of disagreement between the office of the Chief Controller of Imports and the customs authorities?

The Honourable Mr I I Chundrigar I shall consider the matter

PASSAGES FOR PILGRIMS TO THE HEJAZ

505 *Mr Tamizuddin Khan (a) Will the Honourable Member for Commonwealth Relations be pleased to state separately the number of persons that applied for passage by sea and air for pilgrimage to the Hejaz in the year 1946 from each of the British Indian Provinces and how many of these in each province were women?

(b) How many of the above succeeded in securing passages and how many were unsuccessful?

(c) In case passage was refused to any what was the reason?

(d) What was the number of boats and aeroplanes employed for carrying the pilgrims from Indian Ports?

(e) Do Government propose to take any steps to secure the services of an adequate number of boats and planes for the next season so that no intending pilgrim may be refused passage for want of accommodation?

The Honourable Pandit Jawaharlal Nehru (a) and (b) Two statements are laid on the table

(c) Sea passages were available only for about 22,000 pilgrims Quotas were therefore, fixed for each Province on the basis of the average number of pilgrims from each Province during the previous ten years Out of the quota allotted to each Province passages were allotted in accordance with priority of application Passages had therefore to be refused to persons whose applications were not received in time or were in excess of the passages available for their Province As regards passage by air one aeroplane could be chartered for 36 pilgrims and there were 39 applications Three persons had to be refused air passages as a second plane could not obviously be secured for such a limited number

(d) Eight ships and one aeroplane One ship made one trip three ships made three trips each and four made two trips each

(e) Government are considering the matter and making every effort to obtain more accommodation But shipping difficulties are likely to continue and the application of the Indian Merchant Shipping (Amendment) Act will reduce the accommodation available for pilgrims

Statement showing Pilgrims who applied for passages to the Hajj by Sea

Name of Province	Total number of pilgrims who applied for passages	Number of women included in column (2)	Number of pilgrims who secured passage	Number of women included in column (4)	Number of pilgrims who failed to secure passages	Number of women included in column (6)
1	2	3	4	5	6	7
Madras	656	96	375	33	281	63
Bombay	2 106	847	1 741	747	365	100
Bengal	6 468	206	3 697	156	2 771	50
United Provinces	2 831	887	2,129	672	702	215
Punjab	5 471	1,909	3 953	1 441	1 518	464
Bihar	425	175	387	156	38	19
Orissa	7		7			
Assam	1 374	88	920	51	454	37
N W F P	880	145	630	114	250	31
Sind	3 175	949	2 078	594	1 097	355
Baluchistan	602	72	547	60	55	12
Delhi	776	260	621	240	155	20
Central Provinces	182	65	95	12	87	53
Ajmer	68	22	39	21	29	1
Total	25 021	5 721	17 219	4 301	7 802	1420

NOTE —The above figures do not include those from Indian States and foreign countries

Statement showing Pilgrims who applied for passages to the Hejaz by Air

Name of Province	Total number of pilgrims who applied for passages	Number of women included in column (2)	Number of pilgrims who secured passages	Number of women included in column (4)	Number of pilgrims who failed to secure passages	Number of women included in column (6)
1	2	3	4	5	6	7
Madras	6	1	6	1		
Bombay	9		9	2		
Bengal	4	2	4	2		
United Provinces	2		2			
Punjab						
Bihar						
Orissa						
Assam						
N W F P						
Sind	2		2			
Baluchistan	7		4		3	
Delhi	4		4			
Central Provinces						
Ajmer						
Total	34	5	31	5	3	

NOTE —The above figures do not include those from Indian States

Mr Tamizuddin Khan Will the Honourable Member kindly state how many persons in all had to be refused passages in the whole of India last year?

The Honourable Pandit Jawaharlal Nehru Speaking from memory, I imagine 4,000 to 5,000 I am not quite sure But the Honourable Member who is a Member of the Haj Committee probably knows it better than I do

Mr. Tamizuddin Khan I am not a Member of the Haj Committee But in view of the serious situation due to so many persons being refused passages will the Honourable Member kindly consider the desirability of seeing that in the next season no persons are refused passages on account of want of accommodation

The Honourable Pandit Jawaharlal Nehru: Sir I have said that last year we tried our utmost to get additional ships Ships are not available We cannot make them suddenly This year we are trying again very hard to get additional ships Last year we managed to get the usual ships and at

least one additional ship the Shirala When we engage these particular ships they are not properly fitted for pilgrims They take pilgrims and do not bring them back and all manner of difficulties arise We shall do our utmost but we simply cannot guarantee that we shall provide accommodation for all Apart from the pilgrim traffic this difficulty of transport is to be found all over the world Indians have been stranded in various places in Java and Sumatra and we have had the greatest difficulty in getting them back One other difficulty which I pointed out is that we have decided, and rightly to enforce the provisions of this Act The provisions of this Act are to give minimum space to each pilgrim, which is more space than he has so far been given That is the right decision and we are going to enforce it But that involves fewer pilgrims relatively speaking, because the accommodation will be taken up by a smaller number

Haji Abdus Sattar Haji Ishaq Seth Has a decision already been taken whether next year's pilgrimage will be under the control system in existence during the war or will it be as in pre war days?

The Honourable Pandit Jawaharlal Nehru During the war time there were no pilgrimages Speaking from memory in these charts the Honourable Member will find that in 1945 only about 40/50 pilgrims went In 1946 twenty two thousand went There is no control except the control of accommodation

Haji Abdus Sattar Haji Ishaq Seth As far as I understand the question whether next year's pilgrimage should be under Government direction or left free as it was pre war, was under consideration That is what the Haj Special Officer told us I want to know whether a decision has been taken in regard to that.

The Honourable Pandit Jawaharlal Nehru I am sorry I am not quite clear in my mind as to what the position is There is no control as far as I know except the fact of accommodation available

DEPOSIT OF PASSAGE MONEY BY APPLICANTS FOR PASSAGE TO THE HEJAZ

506 *Mr Tamizuddin Khan (a) Will the Honourable Member for Commonwealth Relations be pleased to state separately the number of applicants for passage for pilgrimage to the Hejaz who deposited passage money in the year 1945 and 1946 but having failed to secure passage have not yet got back their deposit money?

(b) What are the total amounts involved?

(c) In case there are any amounts yet unreturned what steps if any are being made to make the refunds?

(d) Are any such deposits treated as unclaimed, and if so, what is the total amount so treated till the 31st March, 1946?

The Honourable Pandit Jawaharlal Nehru (a) 41 and 2,770 pilgrims respectively

(b) Rs 4,800 and Rs 2,86,989 in 1945 and 1946 respectively

(c) Refunding these amounts has taken time due to the following reasons These pilgrims generally sent their money by money order either postal or telegraphic The addresses contained in the money orders were sometimes not sufficient or were not recorded at the Hajj Booking Office as it was naturally expected that their applications containing their full addresses would be received in due course Unfortunately applications from these persons were never received With the help of the Port and Provincial Haji Committees and the authorities of the Indian States 131 of the pilgrims of 1945 have been traced

and their excess amounts refunded 45 pilgrims of 1945 were not, however, traced 13 out of 45 have, however, been since traced and their amounts will be soon refunded As regards the 2 770 pilgrims of 1946 the addresses of all but a limited number are available and refund is being made gradually The refunding of the excess amounts of these pilgrims is expected to be completed by the end of April

(d) No

ACCOMMODATION IN DELHI

†507 *Prof N G. Ranga Will the Secretary of the Works, Mines and Power Department be pleased to state

(a) if Government are aware that a large number of houses, parts of houses and other accommodation suitable for offices are vacant in Delhi while the public are suffering from want of housing accommodation, and

(b) whether Government propose to consider the advisability of appointing an Enquiry Committee consisting of non official majority to investigate into the causes for this state of affairs?

Mr B K Gokhale (a) The question of vacant accommodation in buildings under the control of the Works Mines and Power Department in Delhi has been exhaustively dealt with in paragraphs 24 to 26 of the memorandum prepared by this Department on the present position of Government accommodation of which copies were circulated to all Honourable Members and have also been placed in the Library A joint review of all the accommodation in Delhi was also recently made by representatives of the Works Mines and Power Department and the Defence Department Government are satisfied that every possible effort is made to utilise the available accommodation to the best advantage

(b) A memorandum on the accommodation position in so far as Works, Mines and Power Department is concerned was discussed at a meeting of the Standing Advisory Committee of the Central Legislature on the 18th November 1946 Government do not consider that any useful purpose will be served by appointing an enquiry committee of the nature suggested by the Honourable

TRANSFER OF GOVERNMENT OF INDIA OFFICES FROM SIMLA TO DELHI

†508 *Shri D P Karmarkar Will the Secretary of the Department of Works Mines and Power be pleased to state

(a) the names of the offices and establishments connected with Government of India which are permanently located in Simla,

(b) the reasons for their not yet shifting to Delhi, and

(c) when Government propose to shift the said offices and establishments from Simla to Delhi?

Mr B K Gokhale (a) Presumably the Honourable Member is referring to those offices or portions of the main Departments of the Government of India which were moved to Simla on account of the shortage of accommodation and are still there On this assumption a statement giving the information is laid on the table

(b) Shortage of accommodation

(c) Each case has to be considered on merits in the light of all the facts and circumstances including the availability of accommodation at Delhi

†Answer to this question laid on the table, the questioner being absent

Statement showing the names of the Offices and Establishments connected with the Government of India which are (wholly or in part) located in Simla

Central Technical Power Board, Electrical Commissioner with the Government of India, Superintendent of Insurance (Commerce Department), Federal Public Service Commission, Monitoring Branch (Information and Broadcasting Department), Accountant General, Posts and Telegraphs, (it has been proposed to bring this office to Delhi very soon), Director of Railway Audit, National Saving Central Bureau, Auditor General of India, News Print Controller Commerce Department, (Portion), Director General of Indian Medical Services, (Portion), Controller of Printing and Stationery (Portion), Labour Bureau, Inspector of Railways Information and Broadcasting Department (Portion), Director General, Posts and Telegraphs (Portion) Central Standards Office for Railways, Legislative Department (Portion), Economic Adviser to the Government of India, Central Board of Revenue (Portion) Sugar Controller of India (Portion) Intelligence Bureau (Portion), Estate Office (Section II dealing with allotment of Government residences in Simla), Director General of Archæology in India (Portion) Industries and Supplies Department (Statistical Branch), Defence Department (Portion), General Headquarters (Portion) and Military Accountant General (Portion)

BAN ON ENTRY OF INDIANS IN KATMANDU, NEPAL

509 ***Mr Madandhari Singh** (a) Will the Honourable Minister for External Affairs be pleased to state whether Government are aware of the ban on entry of Indians into Katmandu even though they go there on a pleasure trip or for trade if so what are the reasons therefor?

(b) Are Government aware that there is no such ban on Nepalese who can come freely into India?

The Honourable Pandit Jawaharlal Nehru (a) There is no ban Indians may cross the frontier into Nepal without restriction It is only for entry into the Kathmandu Valley that permits are required by travellers of all nationalities including Nepalese themselves Government are not aware of the reasons for this rule but there is no discrimination against Indians

(b) Yes

RENT OF FLATS IN LODI ROAD, NEW DELHI

510 ***Mr G B Dani** (a) Will the Secretary of the Works, Mines and Power Department be pleased to state whether Government are aware that the rent of a flat consisting of only one small room with a small bath-room and a latrine in the newly built houses in Sujansingh Park Lodi Road in New Delhi, is Rs 51 excluding house tax, water tax and electric charges and

(b) if so do Government propose to take steps to control its rent?

Mr B K Gokhale (a) and (b) It is not clear whether the question refers to the flats belonging to Sir Sobha Singh in Sujan Singh Park or to the Lodi Road Estate which is Government property There are no one room flats to my knowledge for which the rent is Rs 51

Government are aware that some of the occupants of the flats feel that the standard rent is very high and the matter is under consideration I may add however that no Government servant is required to pay more than ten per cent of his pay as rent irrespective of the accommodation occupied by him

Lala Deshbandhu Gupta Have Government fixed any rent for the flats of Sir Sobha Singh?

Mr B K Gokhale The rent was fixed It is now being revised and the matter is still under consideration

Lala Deshbandhu Gupta Will the rent come up to Rs 51 per flat?

Mr B K Gokhale To my knowledge there is no flat for which the rent is Rs 51

Shri Mohan Lal Saksena Which authority is revising the rent?

Mr B K Gokhale Government

Lala Deshbandhu Gupta Are Government aware of the fact that the large number of the flats occupied by Government servants are shared by either other government servants or outsiders and the allotee government servants are charging very high rents from those who share their flats with them?

Mr B K Gokhale The question of subletting has been occupying the attention of the Government Certain types of subletting are authorised with the permission of the Government Other forms of subletting are unauthorised and where unauthorised subletting takes place necessary action is being taken Each individual case has to be treated on its own merits

Lala Deshbandhu Gupta Is the Honourable Member aware of the fact that a Government quarter for which Government realises a rent of Rs 17/8/ per month generally fetches to the allotee about Rs 100 from other persons and that this is the case with almost all the Government quarters in New Delhi?

Mr B K Gokhale I believe that blackmarketing is going on in the matter of houses

Lala Deshbandhu Gupta Have Government taken any steps to stop it, as it is not only a matter of making money at the cost of the Government but also of creating insanitary conditions which may endanger public health?

Mr B K Gokhale I believe a question has been tabled on this very point and perhaps my Honourable friend might await the reply

Mr G B Dani If a receipt is produced to prove that high rent is charged in subletting will Government do something about it

Mr B K Gokhale Certainly Each particular case as I said is dealt with on its merits and if the subletting is unauthorised Government will take necessary action

COAL PRODUCTION CESS FROM CONSUMERS

511 *Mr Nagendranath Mukhopadhyay (a) Will the Secretary of the Works, Mines and Power Department be pleased to state the reasons for continuing realisation of the Coal production cess of Rs 1 4 0 per Ton from the consumers even when the Bonus on Excess profit Tax and the Bonus on higher raisings of Coal over and above the target figure have been stopped?

(b) Are Government aware that out of the total receipt from the Coal Production Cess Rs 70 000 per month are being spent on running the Coal Commissioner's Office?

(c) Do Government propose to consider the advisability of cutting down the expenses of running a huge establishment, higher posts of which are practically manned by European Officers, if not why?

Mr B K Gokhale (a) (b) and (c) The question should have been addressed to the Honourable Member for Industries and Supplies It has accordingly been transferred to the List of questions for the 25th February, 1947 when it will be answered by the Honourable Member for Industries and Supplies

SANCTION BY THE COAL COMMISSIONER FOR OPENING A NEW MINE

512 *Mr Nagendranath Mukhopadhyay (a) Will the Secretary of the Works, Mines and Power Department be pleased to state whether any criterion has been fixed for the Coal Commissioner to enable him to grant or refuse permission in the case of opening a new mine

(b) Do Government propose to consider the advisability of forming a Committee of two or three members recruited from the trade to scrutinise periodically the sanctions given or withheld?

Mr. B. K Gokhale: (a) and (b) The question should have been addressed to the Honourable Member for Industries and Supplies It has accordingly been transferred to the List of questions for the 25th February, 1947, when it will be answered by the Honourable Member for Industries and Supplies

REQUIREMENTS OF RAILWAYS FOR DIFFERENT GRADES OF COAL

513 *Mr Nagendranath Mukhopadhyay (a) Will the Secretary of the Works, Mines and Power Department be pleased to state whether Government have implemented their assurance for taking 30 per cent of II, III-A and III-B Grade coal for Railway consumption as given in their reply to my unstarred question No 46, asked on the 11th November, 1946?

(b) If so, do Government propose to place on the Table of the House a statement showing the requirement of each railway and the ratio of purchase of II, III-A and III B Grade Coal from November 1946 to January 1947?

Mr B. K Gokhale (a) and (b) The question should have been addressed to the Honourable Member for Industries and Supplies It has accordingly been transferred to the List of questions for the 25th February 1947 when it will be answered by the Honourable Member for Industries and Supplies

REDUCTION IN THE RAISING OF METALLURGICAL COAL

514 *Mr Nagendranath Mukhopadhyay Will the Secretary of the Works, Mines and Power Department be pleased to state whether Government propose to reduce raisings of all metallurgical coal to the bare minimum requirement of this country and stop all shipment of such coal outside India considering the future requirement of the country?

Mr B K Gokhale The question should have been addressed to the Honourable Member for Industries and Supplies It has accordingly been transferred to the List of questions for the 25th February 1947 when it will be answered by the Honourable Member for Industries and Supplies

UNSTARRED QUESTION AND ANSWER

PROHIBITION OF ENTRY ORDER BY THE GOVERNMENT OF KENYA AGAINST MR W L SOHAN OF SIALKOT

58 Pundit Thakur Das Bhargava Will the Honourable Member for Commonwealth Relations please state

(a) whether Government have made any representation to the Government of Kenya or to the Secretary of State for Colonies in respect of the prohibition of re-entry order of 7 September 1946 made against Mr W L Sohan of Sialkot City, of which Government was informed by wire and

(b) if the reply is in the affirmative whether Government have received any reply to their representation, if so what

The Honourable Pandit Jawaharlal Nehru (a) and (b) The Kenya Government have been requested to furnish the Government of India with the facts of the case regarding Mr Sohan On receipt of a reply the question of making representations if any to that Government will be considered

THE RAILWAY BUDGET—LIST OF DEMANDS

SECOND STAGE

Mr President The House will now discuss the Demands for Grants in respect of Railways

I understand that the time table agreed to by all the Parties and Unattached Members in regard to the moving of Cut Motions has been circulated to Honourable Members

As regards time-limit for speeches the usual practice has been to fix a limit of 15 minutes for all speakers including movers of the cut motions and 20 minutes for the Government Member replying I trust this suits Honourable Members The Congress Party will now move their cut motions

Mr Frank R Anthony (Nominated Non Official) I would like to point out that the statement that the time table was agreed to by all the parties and the unattached members is not correct If the Government Whip had been courteous enough to refer to us I have no doubt that we would have come to some amicable arrangement I submit that the time limit fixed is grossly unfair to the unattached members in view of the special interests they represent with regard to the Railways I do not want to draw any odious comparison but in my individual capacity I represent the point of view of larger interests on the railways than the whole European group put together yet the European Group is given 2½ hours whereas the Unattached Members consisting of the Scheduled Castes the Labour representatives the Indian Christians Sikhs and the Anglo Indians have been given only one hour

Haji Abdus Sattar Haji Ishaq Seth (West Coast and Nilgiris Muhammadan) Sir as one of the persons concerned in this programme may I submit that this programme conforms to what was arranged last year Not only that but this year all the unattached members who were present in the House were consulted Sardar Mangal Singh was consulted and also the Labour Members present I am sorry Mr Anthony was not here The same arrangement was agreed to last year and I do not think that the House would be justified in varying it

Sardar Mangal Singh (East Punjab Sikh) Last year I protested in the House against the arrangement I was consulted but I did not agree

Shri Satya Narayan Sinha (Dumka cum Santal Pargana Non Muhammadan) Sir all the parties the European Group the Muslim League and the Congress agreed except Sardar Mangal Singh We have only agreed to the programme which was followed last year

Mr President In matters of this kind it is impossible to please every one Some practicable arrangement has to be adhered to and if there is any grievance on the part of any one the better course would be to organise themselves into a group I understand that this was the mutual arrangement agreed to last year and last year we followed the precedents of the previous years

Sardar Mangal Singh Sir this arrangement should not be taken as a precedent for the future

Mr President It is not taken by the Chair as a precedent for anything

DEMAND NO 1 RAILWAY BOARD

The Honourable Dr John Matthai (Member for Railways and Transport) Sir I beg to move

That a sum not exceeding Rs 79,06,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1948 in respect of Railway Board

Mr President The Motion is moved

That a sum not exceeding Rs 39,06,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1948 in respect of Railway Board

REVISIONAL POLICY OF RATES AND FREIGHTS

Sri T V Satagopachari (Tanjore cum Pudukkottai Non Muhammadan Rural) I beg to move

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

I agree with the Transport Member in his remark in introducing the railway budget that this is a unique occasion in the history of the railways and of India not only because it is sponsored by a Government at the Centre as he says reflecting the political opinions of almost the entire House but also because of the critical period in our history The House is aware of the latest White Paper of the British Government and

12 Noon

all our minds are concentrated upon that document of tremendous importance I believe, Sir, such a thing is certain to colour all our criticisms, and so the criticisms that I make are naturally coloured and reflect in part the future set-up that may come to our country

Sir, the learned doctor, the Honourable the Transport Member deserves our congratulations on his clear statement on the revisional policy of the rates structure of the railways in our country The railway service, he says in his speech, must of necessity have a profound effect on the industrial situation in the country Yes It also I say, shapes and fosters our industry, trade and commerce, and important of all promotes social unity and draws the bounds of geography, and in that view it is a very important industry It has rightly been taken as a national industry It goes without saying that the policy of rates and the structure of rates is very important as it influences the whole of the railway system and the national life which to a very large extent, depends upon how the system is working It may be remembered Sir that Iron Chancellor Bismark said Give me the power to fix all railway rates and I should take care of the taxes of the country It is therefore bound to have a very great influence on the future economic and political structure of our country That is why I think the Transport Member was right in stressing the importance of the revisional policy of the rates structure and I wish that the House also concentrates on it

Now of all the sources of income which a state might have without the odium of taxation I believe the method of collecting money by selling the price of transport as this necessarily amounts to I believe is probably the best and easiest if handled in the correct fashion The people are the share-holders of this national industry and a very great national responsibility therefore rests upon the shoulders of the Transport Member I would think that the policy should not only be commercial Of course it has to be commercial to a very great extent businesslike trying to place it upon a profit motive to a certain extent True But it has got also to be on national lines broader based so that not only the profits but also the ultimate profits to the nation as such should be looked into I shall try to be more clear It may be that immediate profits are there if you for instance raise the rates or raise the fares But in the long run it may not bring national prosperity as the learned Doctor very well knows It may have its repercussions on the economic life on trade and industry on production in the country That will have a cyclical effect circled back on the railway economy The result may be that in the long run we do not get the profits that we probably might have at a short command All the same I am glad that as soon as our representatives stepped into office they realized that revision is very important and that they have taken steps to put it into practice In para 9 of the budget speech of the Honourable Member I find the caution that the task is complex and difficult That is true The task is not only complex but it seems to have been confused and complicated by our history and the legacy of the British administration The guarantee system the investment of foreign capital the working of the railways in order to benefit the foreigner or the conqueror for strategic and military purposes for getting out exports and getting in imports of goods all favourable to the English these have retarded the entire outlook of the railways all this time Therefore if the rates structure itself is a very complex problem I believe it has been rendered much more complicated in India's case because of the peculiar legacy left by the British administration I am sorry that our hope that state ownership would have the effect of giving a national outlook to all this policy has not been realized It has not been realized because our representatives have only just now stepped into office I am aware of that But at the same time I cannot rest satisfied until the entire national outlook that our representatives have in their mind is translated into action and it is seen in the working out of the rates policy of our railways

[Sri T. V Satagopachari]

The Honourable Member says that if progress appears to be slow, it is because of the complex nature Yes, but we want that the progress should be quick, because there are much greater things involved, not only on the economic side but also on the political side So, I would request the Honourable the Transport Member to put on acceleration of speed, step up speed and have this thing finished as early as possible.

I read with great care the monograph on the goods rate structure that the Government department has supplied It is a very well written brochure and good as far as it goes It mentions several changes which Government want to bring into the railway system That is good so far as it goes but good intentions are not real actions and so I would like to see that these intentions that have been enumerated there are all translated into actions

Before giving one or two of my suggestions I would like to suggest that Government should try and collect statistics of all the previous years' dealings, how rates have been determined, how rates have been imposed, how assessment was calculated and what effects they have had on the national economy, on our production and on our imports and exports All science, as you know, is based upon the collection of data and their classification and if we do not have the machinery by which we can collect all these statistics, so far as they are available to us, it will be very difficult to arrive at any just and proper conclusion For example I may instance the science of Botany which, owes much to Linnaeus and depends upon his proper collection and classification So, I would request the Honourable the Transport Member, before deciding this question to have a proper collection of statistics made, even though it may be rather costly I am well aware that in regard to the railway rates structure the collection of statistics is so difficult and complicated and in regard to its earlier history we could not get correct or proper accounts for the purpose of classification All the same to the extent that it can help us, it will be of very great importance and value to us I find that in para 2 of the Monograph on page 1 it is started

"If the industry is to be kept solvent its sales must in the aggregate be productive of sufficient revenue to meet the ordinary costs of operation"

and so on and that it enunciates a principle, that the cost of service must be covered Yes, it is true that the cost of service must be covered but the cost of service is not so important as the value of the service rendered and the efficiency with which the service is rendered and if the value of the service is great and the efficiency is high then the cost of service is bound to come down We should take a long range view and sacrifice immediate gains Lower rates mean greater tonnage They will also lead to the elimination of the wastage of unused capacity

There is one thing that should be borne in mind and that is the suggestion by Messrs Robertson and Priestly in regard to telescopic rates Of course telescopic rates are adopted for bones manure and oil cakes as an experimental measure I would like that it also includes foodstuffs and grains and that it is extended to other sections and classifications I would also in this connection impress on the Railway Board the necessity for uniformity and simplicity and the avoidance of gauge breaks As the learned Transport Member knows, we have the Broad, Standard, Metre and Narrow gauges This matter requires to be looked into I do not know whether it will not be profitable to abolish all these gauges and have one standard system and one standard gauge If that is achieved, it will mean much better mechanisation, standardisation and rationalisation

Then the basic class rates should be such as to conduce to simplicity of the structure The schedule and the station to station rates, though they are inevitable, ought to be the exception and not the rule A proper adjustment of these methods will bring in the best results

I envisage a future with great possibilities but at the same time there are certain limitations which I must point out The regional self-sufficiency which the Provinces have got in mind will probably work against the uniformity which we want That has got also to be borne in mind There is also the competition of motor and coastal shipping which has got to be kept in mind. What we want is not competition but co-ordination of all forms of transport in the hands of the Transport Member, including Aviation and Water transport I think in future only long distance heavy haulage will come to the Railways Other things such as perishable goods, short distance and inter-district communications will go to motor trucks and waterways will come into their own also

Then, Sir, the risks should be the criterion of the charges I would like to abolish the owner's risk and the railway risk The Railways are a monopolist concern and it is a common public carrier Actually he should be an insurer also In Great Britain and in the United States of America, the railways as common carriers have got a monopoly and they are bound to insure and take the risk themselves

In regard to passenger rates, I would have liked that amenities preceded taxation In that case we would not mind taxation It will be a psychological gesture As the learned Transport Member knows very well, psychology influences economics and politics and I think it would have been much better if amenities had preceded the increased taxation

Then the air travel competition is certainly going to be serious and I believe if the present high class rates are changed, there will be difficulty as the utmost capacity of the running trucks cannot be utilised and the wagons will be running empty

Lastly there has been a long standing recommendation for the establishment of a Rates Tribunal It would be better than the Rates Advisory Committee which exists now, only in an advisory capacity and has not got any powers I am aware that Government which owns its own railways cannot have another sovereign body I do not want a sovereign body with sovereign powers but powers might be given to a certain limited extent to inquire into the rates, to adjust rates, increase them, give exemptions, to hear appeals and so on

I would next refer to the system of grouping and the abolition of different gauges I refer to co ordination of departments and the elimination of overlapping of administrations

Lastly I would say that certain goods might be given some special concessions for example woollen goods and cement goods which might be given telescopic rates and station to station rates For cotton, and flour, from field to mill and mill to market or the port Imported sugar should not have the advantages of lower rates I am hopeful of the future and I trust that in the hands of the learned Transport Member all these things will receive the greatest possible attention and we will have a rates structure which will give great incentive to trade and commerce and make our nation great in the world Sir, I move

Mr. President: Cut motion moved

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

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa, Muhammadan) Sir the Honourable Mover of this motion has very ably placed the case about the revision of the structure of the rates What I want to impress upon the House is that the question of the revision of the rates structure is a problem which requires greater work and at the same time an unbiassed attitude to look into the whole thing The Honourable the Railway Member has not in his speech given any indication as to the personnel or the organisation which he proposes to set up for the revision of this rate structure What I want

[Mr Muhammad Nauman]

to impress is this If it is going to be done by the same old people who had been carrying on this rate policy and who are set up there as experts and none else is taken as having expert knowledge, it may not be of any advantage to us They cannot change themselves and they cannot realise and appreciate the changed conditions As I said in my speech even the presentation of the budget by the new Railway Member was just in the same bureaucratic style as it was in years gone by in this country Now, I want to impress on the House a very important factor Whatever the set-up for the revision of the rate structure policy may be, it should be representative of all sections and of all classes of trade and also of all communities having interest in this country Unless that is done what I am afraid of is that nominations and favouritism will have a due weight and again the brute majority will have to be faced on a particular position which may be created against a particular trade or against a particular section which is carrying on that trade I do not want to cite instances or even go into the details as to how the present rates structure policy has adversely affected a particular trade or interest because I have not got the time for it But I would only like to impress on the Honourable the Railway Member and the House that this factor has to be taken into consideration very carefully before launching on this programme, otherwise what I am afraid of is that this revision of the rates structure policy might mean a revision for the advantage of some and for the disadvantage of others Some people realise at late stage that injustice was sanctioned by ignorance and this should be avoided So, in spite of all the honesty on the part of the highest authority, it might be misled by certain sections or by those whom they may not choose carefully and thus adversely affect a particular trade or interest in this country

Up till now it has been said that the rates structure policy of the railways has been advantageous to the export trade We notice that port to port rates are different from the rates between a town and other places for the same distance, and sometimes there is a very big difference That was done also with a certain purpose when all the heads of the administration had to be guided by those people who were entrusted with the Members of the foreign trade At the moment, we have got a section which is very well inclined towards the betterment of the industry than anything else But while looking after the industry, we will have to look to the good of the average man In other words, while looking after the goods of the industry, we will have to look to the interests of the 400 million people of this country Suppose a certain industry, in spite of all the tariff and the protective duty that we may be able to give it for safeguard is only able to supply the 400 million people of this country with a certain commodity at higher rate whereas the other country is able to supply that unit at a lessor rate on import and suppose that a particular commodity is supplied here for the value of X and if it is imported it is X minus something, then what we have to see is whether our rates structure would be such as to allow this population to take full advantage of the imports As I am speaking in terms which are not very concrete, I might be misunderstood, but I think the Honourable the Railway Member, being an economist himself, is able to understand what is in my mind and what I am trying to tell him What I am trying to tell him is this that it is not only the industry of which we have to take care but we have got to take care of the population of 400 millions first So in the revision of the policy of the rates structure we have to take into consideration the fact whether the population of our country would be able to get a commodity at a reasonably cheap rate or not Where the competition comes from is a matter which will not interest the railways At the same time the rates structure should not be fixed in such a way that it will adversely affect the prices in this country in competition on import If we have got an industry

which requires certain protection, that will be done by the other Department when it comes to the question of the tariff duty But in the matter of the rates policy, we should not adjust it in such a manner that it will adversely affect the popular prices and thus jeopardise the interests of the industry in this country or of the consumers prices in import.

Now, Sir, I am very glad that a suggestion was made by the Honourable Mover of this motion for having the Rates Tribunal and not the Rates Advisory Committee which has been in existence up till now Even if you revise the structure policy of the rates, you will require a tribunal because the conditions will be changed Supposing a certain commodity can bear a certain burden for movements today, it may not be possible for the same commodity to bear the same burden after two or three years or five or ten years So, you have got to have a permanent Rates Tribunal, where the industry representatives and the representatives of the traders will be able to go and place their case for equitable rating of freight for that commodity In revising the rates policy not only you have got to take into consideration the questions of general statistics of moments but the collection of statistics should be made on various grounds and various aspects have to be considered The statistics of this country alone would not be helpful You will have to get statistics of other countries as well their rate policy their rate structure policy and you should see how they compare with the conditions here Of course things will have to be adjusted according to local conditions here But the mere fact of collecting statistics of movement in this country would not be of much help unless you also collect statistics of movements in other countries study the rate structure as existing in Australia Canada, U S A and other countries Then alone you will be able to come to a certain decision To begin with you should maintain a Tribunal because conditions cannot remain stationary for all times to come The rate structure should not be allowed to be maintained on one and the same lines for all time to come Any particular industry or trade should be allowed to bring that particular matter before the Tribunal The railways also may have occasion to go before the Tribunal So the railways as well as the industry concerned should have an opportunity of placing their case before the Tribunal and the Tribunal may increase, vary or decrease the rate as circumstances warrant

[At this stage Mr President vacated the Chair which was then occupied by Mr Deputy President (Khan Mohamed Yamin Khan)]

The Railways have hitherto been spending 80 per cent of their earnings they have been very philanthropic with the earnings and I do not suppose it would cost the railways more than two or three lakhs to maintain this Tribunal On the face of it it may appear very simple that the Honourable Member has promised a revision of rate structure But I am afraid the proposal bristles with difficulties and dangers as well If due care is not taken, I am afraid instead of improving things, it will rather make things worse, if not for all, at least for certain sections of people, for certain commodities and for certain sections of trade I do not want to dilate on the point any more than this that the Honourable Member should put up an organisation composed of important sections representatives not only of exports but also sections connected with industries and with trades exports and imports of this country to advise them in a manner which would really help the railway administration in arriving at proper and just decisions Above all the most important things is that the Government should appoint a Tribunal and not an Advisory Committee just as they maintained for some time past Although this Advisory committee has been doing good work for some four or five years past yet the time has come when a high class tribunal composed of men with high judicial experience, such as High Court Judges other members who have intimate knowledge of business and trade as well should serve on the Tribunal I do

[Mr. Muhammad Nauman]

not want to discuss the structure of that Tribunal at present I only want to impress this point on Government that a Tribunal is absolutely necessary for revising the rate structure policy of this country It will be through decision of this Tribunal that adjustment in freight rates will be made from time to time

Pandit Lakshmi Kanta Maitra (Calcutta Non-Muhammadan Urban) Mr. Deputy President, I rise to say a few words in support of the Motion moved by my Honourable friend Mr Satakopachari It is not that this Motion is meant to take away the sum of Rs 100 from out of the pockets of the Railway Member I am inclined to think that this Motion is designed to put strength to his elbow inasmuch as he has undertaken such a bold enterprise, namely revision in the rates structure policy of the Railways Sir, I have great admiration for my Honourable friend the Railway Member with whom I had the privilege to work here for about a year nearly a decade ago I have a very high opinion of his ability as an economist So the first thing that he could do within a month of his taking charge of this high office was to undertake a revision of the rates and freight system that prevails in the railway system of this country It must be realised that in all railway systems, in all systems of public carriers, a well calculated structure of rates and freights forms the very backbone of maintenance, progress and prosperity of the systems At the same time we also realise the difficulties which are inherent in a problem of that undertaking Sir, my Honourable friend is aware that the rates system of this country has been the subject of systematic criticism of all public men in this country, particularly of the industrialists Since the inception of the railway system in this country, the rate structure has grown up in a most haphazard manner with the result that with the growing development and with the growing expansion of railways in this country, it has become such a cumbersome, such an unscientific system that far from serving the real interests of the country, it has become almost a handicap It has often been a favourite criticism of industrialists that the system of rates prevalent in the Indian railways favoured the foreign imports and hampered the moment of finished indigenous products from the mills to distribution areas Whenever such criticism was made the reply always came from the Railway department that it was a fantastic criticism inasmuch as every particular class of goods had its own rate that the rate system could not be reduced to anything like an exact science based on an uniform principle I can give one or two instances There is the mustard seed Mustard oil is transported from parts of U P to eastern parts of India to Bengal Orissa, and Bihar, and Assam at a rate much cheaper than the rate for mustard seed The result is that all the mustard oil mills in eastern parts of India had come to a stand still because of this absurd system I had to agitate for it for several years with the railway authorities I explained to them the absurdity of the position If raw materials had to be carried at a rate much higher than that for finished products where is the future for the nascent industry? Nothing came out of my representation Similarly is the case with glass industry in this country I can give other instances also The freight for carrying imported glass, crockery and glass materials from ports such as Bombay and Karachi to other parts of India is much lower than that for manufactured glass products from an Indian factory to distribution areas I hope, Sir, that now that the war is over and if the railway finances are to be put on a sound basis this question of rates and fares should be properly investigated and the whole system built on a scientific and rational basis The problem is no doubt difficult inasmuch as the railways carry a variety of materials under a variety of conditions, and hence the question is not easy of solution But we are glad that under the auspices of the Honourable Member now in charge already an experiment has been introduced of telescopic rates with continuous mileage system But it has been for the moment in respect of

two or three commodities only. I only hope that after the period of experiment for six months this might be promptly extended to a number of other commodities which enter into the daily life of the citizen I hope the Honourable Member will not rest on his oars but will try to push on with this programme of continuous mileage system Now after the war the whole world has been faced with certain types of problems which did not exist before It is not in India alone that the rate and freight structure is coming in for revision In all countries the railway systems are seriously considering this problem The war has demonstrated to us that the railways can become increasingly obsolete if they cannot face up to the needs of the changed conditions and satisfactorily solve the problems that may be coming up before them in the next few years The railways will have to carry heavy goods and that for long distances For long distance goods the railways are bound to face all manner of competition on road, water and air, and that is why in all countries of the west they are seriously considering the question of putting their railway economics on a sounder and safer basis When the question is looked at from this point of view, enormous difficulties would present themselves before the Railway Member, but I am sure that he will bring a fresh and vigorous mind to bear on them

Now coming to the question of fares, I do not grumble at the proposed enhancement as it has been acquiesced in by the Members of the House, though I think that it could be done even at a higher level if necessary, on a subsequent occasion But I would request the Honourable Member to consider if it would be possible for him to reintroduce, within a reasonably short period of time, concessional facilities by way of week end and ordinary return tickets It has been our experience, that these concessions fetch a good return They would stimulate railway travel and enhance earnings and at the same time give the public some measure of relief The Honourable Member should also consider whether he can re introduce at an early date, other concessions in fares on festive occasions like Durga Pujah, Christmas, Holi, Easter, etc The time has come to restore them now as we are ungrudgingly giving our sanction to the enhancement of fares

There is another rather important matter to which I wish to draw attention of the Hon'ble Member There has been a tremendous leakage of income in the railways of this country You may devise a thoroughly scientific and perfect system of rates and freights but if your railway system provides loopholes which entail a substantial loss of income it does not carry you very far At the moment leakage is taking place due to lack of provision for tickets. It is a new phenomenon I can say from my own experience that about this time last year when I was a member of the local advisory committees of the Bengal Nagpur and Bengal and Assam Railways in Calcutta, I brought to the notice of the General Managers that there were no tickets at many stations, and some important pilgrim stations which draw thousands of pilgrims were without tickets Occasionally excess fare ticket forms were used but those also were exhausted Thus the railways, which are our greatest national assets, were defrauded by the people,—not because they wanted to defraud them but because the railways had no facilities to offer, the stations had no tickets to sell When I brought it to the notice of the General Managers of those railways prompt came their reply, "Pandit Maitra, you are a public man and have been a member of the legislature for so long, why don't you tell the workers and strikers to print the tickets?" I was not prepared for a thing like that We are actuated by the best of motives to help the railways, but if by reason of strikes you cannot print the usual tickets that is a very flimsy excuse and it is not facing the problem in all seriousness You can issue improvised tickets like those used in tramcars and cinema houses Just imagine what it means, for one big railway system to be without tickets for one day means a loss of 10 to 12 lakhs. And for railways like the East

[Pandit Lakshmi Kanta Maitra]

Indian and Bengal Nagpur Railways which run from Calcutta to Bombay and Calcutta to Delhi it means a very heavy loss Even at this moment, on the East Indian and the Bengal and Assam Railways, many station counters are besieged by people wanting tickets but they can not be had Sometimes, if ten or twelve of them come together, the staff would issue a chit That is an absurd arrangement So I suggest that the Honourable Member should tighten up control of his department and see that this nonsensical excuse about strikes, etc, with which they explain away the absence of tickets is not offered any more After all it is the taxpayers who lose, and so the Honourable Member should see that not only are all the stations supplied forthwith with an adequate number of usual tickets but failing that arrangements are made with private printing presses for improvised tickets

Another thing I wish to mention is this that there should not only be enough tickets to sell but that the public should be provided with adequate facilities for the purchase of these tickets I am one who move about frequently from place to place and I have seen third class counters present a awful spectacle I said in connection with the Ticketless Travellers' Bill that the third class ticket counters in Indian Railway Stations present a sight for the gods to see There is a struggle for existence leading to the survival of the fittest Only the stoutest fellows can buy tickets and safely come out There are of course stations where there is continuous booking throughout the day and night But in many places I have found the booking staff not sufficient who thus cannot cope with their work, sometimes they come at a time when they cannot give tickets to many passengers The result is that without any dishonest intent people are forced to travel without tickets with consequent loss of revenue to the railways I hope the Honourable Member will see that in all important places where the railways make good earnings additional facilities are given to the travelling public for purchasing tickets, either by provision of additional counters or by opening additional out station or city booking offices as they have in Calcutta and Bombay and other places I am sorry I have taken more time of the House I am closing in a minute

I therefore appeal to the Honourable Member to take our criticism in good spirit and show a spirit of accommodation in his dealings with the users of the Railways Sir, I support the motion

Sri R Venkatasubba Reddiar (South Arcot *cum* Chingleput Non-Muhammadan Rural) I support the motion moved by my Honourable friend, Mr Satakopachari In doing so I wish to bring to the notice of the Honourable the Transport Member a few defects that exist in the railway rating system I earnestly appeal to him that in view of this he will improve the economy of this country If today India is very backward in industry I would like to lay the blame not on anybody else but on those who are responsible for running these railway administrations and for the present rate structure Sir the rate structure which has been in force on the Railways is so diverse that one is bewildered It is not easy to appreciate the various intricacies of the rates prevailing, and the way in which it is worked out on the various railways it is a very difficult and complex problem and it is not easy to find a solution for that

In most of the countries in the world their railway systems are worked with a view to encourage the local industries and agriculture of that country In this country unfortunately the foreign trade is encouraged at the expense of the local industry and agriculture To give one instance I shall refer the rates fixed for groundnut kernels and for oil I understand the present arrangement is that kernels are carried over the Railways at a cheaper rate than the oil The oil is transported not only at a very heavy cost but there is no

facility for carrying the oil, they don't have sufficient number of tanks The transport of oil is discouraged. Any man who wants to crush kernels into oil is at a disadvantage, he is not able to compete favourably with the foreign industries So much so that it is easy to send kernels—raw produce as produced by the cultivator—to foreign countries than to send the oil This has been going on for a very long time, and I hope that the Honourable the Transport Member will make sufficient amends and remove this defect and come to the rescue of the cultivators of this country and the local industries

So, I understand, is the case with regard to the cotton industry So far as some centres are concerned, the rates that are now prevailing are so advantageous to the foreign importer to compete with the local producers that they have the exclusive market of many big cities and towns in this land of ours while the local producers are not able to compete with them on equal terms For instance, the finished goods are imported from Bombay to Cawnpore at a certain rate which I am told is favourable compared with the rates to other places The Cawnpore man is not able to compete with the Bombay man, not only that, but the foreign products which are imported from the United Kingdom and other places compares favourably with the Bombay produce or the Cawnpore produce. By the present rate structure, the mills in Cawnpore and Bombay are made to work at a disadvantage as compared to foreign competitors To quote one instance, Mr Tiwari has made a special study of this subject of rate structure and he has published a book On page 3 of his book he has said

"Rate to Nagpur for 520 miles is Rs 1 11 10, and to Itarsi for 464 miles is Rs 2-0-7 Not only is this rate preferential, but it adversely affects the interests of the Indian mill industry by helping the penetration of imports"

In calculating the rates, one must bear in mind the interest of the country—the local industries, and agriculture It is not enough that they look to the interest of the railways alone I do not say that the interests of the railways should not be looked after, it has got to be safeguarded, it has got to be worked as a commercial concern, but in doing so the interest of the country at large has to be kept in mind before anything else If the country gets poorer, the railways cannot flourish It is in the interest of the Railways as well as of the country that they should so devise their rate structure that it does not affect the local industries or the agriculture of the land If any particular commodity cannot favourably compete with foreign imports, the Railways should revise their rate structure even if it means a loss to them so far as that commodity is concerned For instance, food articles, manure, and some other articles which my Honourable friend, Mr Satakopachari, has already suggested, deserve the first consideration of the Honourable the Transport Member in this respect

In Germany railway rates were carefully regulated to serve the local industries and agriculture German railways assisted the exports, before the war, by preferential tariffs German railways in matters of rate making were inspired neither by the rules of supply and demand nor by the necessities of competition, but by the need to protect National Industries against foreign competition This should be the motto of the railway rate structure and I appeal to the Honourable Member to bear that in mind in revising any rates

Though there has been a change in the Membership of this Department, still there has been no change in the attitude of those who are in active management of the affairs of the Railway Department We find, Sir, all those people who have been there for long still in charge of the affairs of railways It is not very easy to convince them I know how difficult it will be to persuade a Secretary to accept what you want to do They will bring in all sorts of difficulties They will say that there is this administrative difficulty This rule is like that and so on They have been trained in such a way as to present you with difficulties so as not to interfere with their interests So I would appeal to the Honourable Member that he would

1. P.M

[Sri R Venkatasubba Reddiar]

bear in mind these difficulties, these problems and the suggestions which have been made by some of our Members now in these discussions and I request him to revise the rates so as to help trade and industry in this country

Mr. A A. Brown (Government of India Nominated Official) Sir, I should like to say that the Rates Enquiry which is proceeding at the present time is directed towards the machinery of making the revised rates It is procedure It is not policy It will not hamper policy Any changes which may be decided upon at the Centre can be effected But the objects which the Revision have in mind are to provide a machinery and a method which will enable that policy to be carried out It is true that the rates structure should be simplified There shall be telescopic rates on continuous mileage and special station to station rates only The complex schedules which in the past have added to the difficultres of rate-making, the levying of charges on discontinuous mileages which made it more difficult for the staff to calculate rates and sometimes rendered it almost impossible for the trader to know what he had got to pay, will under this arrangement become things of the past But a revision of this sort involves a tremendous amount of work—donkey work It is not work which at this stage would be of very general interest The commercial community want to know what they have to pay in the way of freight They want to know their rates can be quoted easily and in a understandable form I do not think that they would want at this stage to be associated with the enquiry The necessity for accelerating this enquiry is appreciated and a Committee of Rates Experts has been set up It has been suggested in the course of the debates that this is the same old school of thought that these rate-makers still have the same habits But I should like to tell the House that it is these rate-makers who really understand the problems They have observed the policy of the past, the policy of company railways, the policy of individual railways Of course, they had their duties to perform

Mr. Muhammad Nauman: On a point of information What happens, supposing a particular trade, say the wheat merchants from Lahore complain that your rates for wheat transport from Lahore to the Eastern parts of Bengal are higher comparatively than to any other part of the world What is their position, if you have a structure like that?

Mr A. A. Brown At the present time there is the Rates Advisory Committee If a merchant has a grievance, or if he feels he is unfairly or unproperly charged he can submit a case for consideration by this Committee It is necessary for him to establish that a rate is unreasonable *per se* or that the application of the rates to his particular traffic places him in a difficult position compared with his competitors If he can establish his case then it is referred to the Advisory Committee for consideration I may add before it goes to the Committee both the railway and the complainant make statements of the case so that the matter can be considered in advance But if there is reasonable ground for the complaint then it is passed to the Rates Advisory Committee I am aware that there have been complaints that the Rates Advisory Committee is not the correct type of organisation There is difference of opinion on that but the possibility of some different form of tribunal has not been ruled out It is one of the possibilities which come under the heading of policy to which I was going to refer, and it is a matter which still has to be examined further, possibly in connection with some revison of the Railway Act itself But I do not think, Sir, that the Rates Advisory Committee as it is constituted today is incapable of the functions for which it has been established It is presided over by an eminent legal gentleman, who is independent of the railways, and I believe that following references to that Committee decisions have not been questioned as unreasonable or prejudiced

During the course of the debates, some rather peculiar points have emerged It was mentioned by one Honourable Member as a cause of complaint that mustard oil is charged at a lower rate than the seed, and it was alleged by another Honourable Member that ground-nut oil is charged more than the ground-nut I only refer to them to show that in the process of rate-making, there are very many different opinions and naturally each interest feels that it should be given greater consideration But I think, Sir, that the monograph which has been circulated in this House does show what is intended It does show what the railways propose to do and I would like to add to what is stated in that, that in addition to the factual test which is now being carried out and which several Members have suggested should be extended to other classes of traffic, in addition to that factual test, statistical tests are being carried out The purpose of the factual test is not only to give the industry, trade, and the people concerned experience with the new system, but what is equally important, it is to give the station staff who have to apply the rates experience too It is to teach us what are the snags and difficulties so that before we reach the stage of universal application of telescopic rates, we are sure what they mean We do not want to find that we have to retrace our steps because we have overlooked something We want these tests to give us experience and at the same time we want statistical tests to show what should be the future level of rates of the various classes In any form of assimilation which has the ultimate object of placing a distance limit on freight charges, there must be variation in both directions Long distance traffic will pay charges which after a certain distance will not increase That has to be counter-balanced in other directions But, Sir, before any of these new class rates are finalised,—assurances have been given and may be repeated—the commercial interests concerned will be fully consulted

There was brief reference to our special and other scheduled rates and the question of revision in the future was raised Sir, it is precisely our case that an ever constant need for revision is present It is present today just as much as it will be in the future and that is why we are looking now at some of those rates introduced in the past when conditions were different and when the costs of operation were lower A special rate must be mutually beneficial

As I was saying, a special rate must confer mutual benefit, benefit to those who enjoy it and benefit to the railway in the shape of increased traffic, Some rates which were reduced years ago, possibly in competition with other forms of transport, to a level which is not possible today, have necessarily to be revised to prevent the railways being charged with undue preference to those who enjoy them They were pitched at a level which could not be justified today, because they are below the physical cost of hauling and, as I think is generally known, the physical cost of hauling represents not more than 40 per cent of the total cost of operation Therefore these charges have necessarily to be re-examined and revised in an upward direction but it was because this revision is taking place that it was considered that it should be accelerated rather than any general increase should be applied to goods rates I mention this to show that railways have to realise that there must be business considerations, that rates cannot be advanced merely because more money is needed The long term effect of this, we believe, will be favourable and not unfavourable as was suggested in one case

There has been some reference to the fare structure and the increase in fares I might say that no general re-examination of the fare structure is being undertaken at the moment but it is a matter which must come into consideration in the future when deciding finally what the number of classes should be If we reduce the number of classes or carriages, and if we want to maintain revenue at a reasonable level, we have to consider what the fares should be I do not mean to imply that there may be an increase in fares The question is how to operate with fewer classes satisfactorily and at a

[Mr A. A Brown]

level of fares which attracts passengers, which does not leave the door open to too much competition, and how, together with coordination, we can secure the fare structure of the future

I might go back to rates for a moment and would like to mention one point The new simplified system which it is hoped to introduce at the earliest possible date will enable Rate Registers to be maintained, in a manner which has never been possible before These registers will contain all the information with regard to rates They will be available at all stations, prepared on information worked out and supplied by the head office This is one reform long overdue, as it will, I think, do a great deal in indirect ways to assist trade as well as the railways, and generally the benefits which will accrue from them are appreciated by those of the public who are constantly doing business at railway stations

There was one suggestion that all rates in future should be at the railway risk level, in other words that owners' risk rates ought to be withdrawn I can tell you that that is not the view of the commercial world generally, who think that they should be given the option of selecting a lower rate if they are prepared to accept owner's risk

Mr. Deputy President: Is the Honourable Member speaking on behalf of the Government?

An Honourable Member: He is, Sir

Mr. A. A. Brown: I will finish in one moment, Sir

The Honourable Dr. John Matthai May I submit, Sir, that I propose to intervene in the debate at a later stage, if you permit me

Mr. Deputy President: The Honourable Member who is speaking is entitled to only 15 minutes

Mr A. A. Brown: If I may, I would just like to say a word on the subject of owner's risk rates The general demand is for their continuance but that they should be rationalised, they should be more related to the actual risk of carrying the goods and this is another feature of the enquiry now proceeding

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

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The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr Chairman (Sardar Mangal Singh) in the Chair

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Shri Satya Narayan Sinha: Sir the question may be now put

Mr Chairman I accept the closure subject to the speech of the Honourable the Railway Member

The Honourable Dr. John Matthai. Sir, I shall be very brief in the remarks I make at this stage As far as the technical and procedural aspect of the question of rating is concerned, Mr Brown, my expert adviser on this subject, has already explained the general setup of our rating structure and the steps that we propose to take in regard to it The speeches of Honourable Members in the course of the debate have thrown up three points The first is that this reform in the rating structure which we have in hand at present should be speeded up The Railway Department is entirely in agreement with the view that everything possible should be done to speed up the investigation, and for that purpose we have set up a Committee of Experts to go into this question We will see that the investigation is completed at the earliest possible date

The second point raised was that in the administration of the rating structure we should have some arrangement by which we could see to it that it operates to the general good of the community as well as to the railways and that it does not work unfairly to any particular interest or group With that general proposition also I am in agreement The difficulty arises, however, when you come to the question of the particular type of organisation which

should be set up in order that this objective may be fulfilled The suggestion which has been made in the course of the debate is that in place of a Rates Advisory Committee of the kind we have at present we ought to have something in the nature of a Tribunal This is not a problem to which I have so far had an opportunity of applying my mind But I will go into that question whether any changes are required in the present organisation with a view to seeing that our rating structure would be so operated as to conduce to the general benefit of the community and to avoiding anything like unfairness But I think there is one point which I should make quite clear. Whatever organisation we may set up in this regard, it is important that the ultimate responsibility in the matter should vest in the hands of Government. This is not a matter in which the Government can be expected to divest themselves of their responsibility I am not propounding, Sir, any new principle in this matter because the position of the Rates Advisory Committee is almost exactly analogous to the position of similar bodies which Government have set up from time to time, such as the Tariff Board and the Commodity Prices Board Both these bodies make recommendations which receive very careful consideration and to which a great deal of weight is attached by Government But the responsibility for the ultimate decision is Government's I can speak with a certain amount of knowledge of the procedure with regard to the Tariff Board of which I happened to be President for a number of years As President of the Tariff Board I felt often annoyed that Government should have turned down my proposals and for a long time I nursed a keen sense of grievance against Government But when I was released from that position and was able to take a wider view of things I came to realize that before we could come to a decision on matters of this kind it was important that a comprehensive picture of the situation with reference to the whole economy of the country should be kept in mind such as only the Government could do I propose to take up the suggestions which have been made for consideration subject of course to this provision that while I would try and see if improvements cannot be made in the existing organisation I would do so subject to the consideration that Government would still remain the ultimate authority for deciding

The third point, which was raised by my Honourable friend Pandit Maitra, is that something should be done by way of mitigating the increase in the passenger fares that we have proposed The particular direction in which he suggested some relief might be granted is the restoration of return tickets The whole question of the restoration of railway concessions has been gone into by us recently The difficulty is while there is all this overcrowding even now on our trains—and the repercussions of it on the comfort and welfare of passengers are well-known to us—it is somewhat difficult to restore travelling facilities which might add to the existing overcrowding As Honourable Members will have seen from figures contained in my Budget speech, if the passenger mileage is compared with the passenger train mileage, there has been some relief in the matter of overcrowding If we are able to make satisfactory progress in this respect then we should be in a position to take up this question of restoring concessions During the General Discussion on the Budget Honourable Members expressed a great deal of anxiety with regard to the way in which the increase in passenger fares would react on various classes of the travelling public Since I realised that there was a great deal of feeling on this subject I decided to examine whether it would be possible to any extent and in respect of any class of passenger traffic to afford a certain amount of relief To what extent it could be done and in respect of what classes of passengers are matters which I have not been able to go into yet but the general view expressed in the House that some kind of relief should be afforded is a matter with which I am in sympathy and I propose to take this matter up for examination with a view to seeing that a decision is formulated at

[Dr. John Matthai]

a very early date I do not think I can carry the point much further now but I hope to be able to say something about it soon

Sri T. V. Satakopachari: In view of what the Honourable Member has stated, I beg leave to withdraw my motion

The cut motion was by leave of the Assembly withdrawn.

Re-organisation of Railway Administration including Indianisation of Railway Board

Shri D P Karmarkar (Bombay Southern Division Non-Muhammadan Rural) Sir, I move

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

The object of moving this cut is to bring before this House once again the necessity of the reorganisation of the Railway Administration, including Indianisation of the Railway Board The fact is that just at the present moment we are in what may be constitutionally called a transition period Last year we were very much hard upon the Railway Member of that time and the administration which he represented This time obviously our attitude is different with regard to the Government which the Honourable Member represents and many of the things which we propose to say the Honourable Member in charge possibly knows better and my object now is once again to reiterate the facts and feelings of the public with regard to the absolute necessity of introducing an absolutely new orientation in regard to this Railway administration.

The motion happens to be rather vaguely worded but I propose to limit myself to only two aspects Naturally Railway administration covers many aspects, such as the management, the financial aspect, what I should call the mechanical aspect, dealing with equipment and so on, the engineering aspect and the service aspect that is the aspect concerning service to its consumers the public

I propose to limit myself to the first and the last issues namely, the management aspect and the service aspect One prominent thing that strikes us in this connection is the anomalous way in which the structure of the railway administration has been framed The old order stands except that the head of the administration is a member who is responsible to the people Apart from that everything else remains the same and will continue to remain the same for some time A prominent characteristic of this organisation is that it is a kind of corporation within a bigger corporation a small State within a larger State If the present arrangements stand, it is bound to result in great prejudice to the public interest The Railway Board was created almost 8½ years back and when the decision to create it was announced, an authoritative statement was issued by the Government It was stated that

"The central idea behind the creation of the Railway Board is that there should be a body of practical business men entrusted with full authority to manage the railways of India on commercial principles and they said further it should be freed from all non essential restrictions or needlessly inelastic rules "

The second object was stated as follows

"There are two distinct classes of duties with which the new authority will have to deal The first is deliberative and includes the preparation of the Railway programme and the greater questions of railway policy and finance affecting all lines The ultimate decision on such questions must of necessity rest with the Government of India "

Further on they said

"The second class of duties is administrative and includes such matters as the construction of new lines by State agency, the carrying out of new works on open lines, the improvement of Railway management with regard both to economy and public convenience, the arrangement for through traffic and the settlement of disputes between Railways "

Later on the functions appear to have gone into greater details and this was the subject of comment by a responsible committee appointed by Government They said even these functions have been exceeded and the Railway Board was found to have gone into greater details than was warranted by the original terms of appointment My comment with regard to this corporation within a corporation would be two-fold One is that under the new order of things if the constitution of the Railway Board continues as it is at present it might in the end serve as a handicap rather than as a help It is always good to have a body of advisers, but in no case and at no time that body of advisers should serve as a clog It looks as if at the present moment the division is, broadly speaking, of a two-fold character The Honourable Member representing the Government has to decide the policy and the actual working, subject, of course, to the veto of the Honourable Member and the Government of India is to rest with the Railway Board Now, that sort of arrangement might have been well worth having in the past when there was a bureaucratic Honourable Member in place of the present Honourable Member The previous Honourable Member did not worry very much with regard to the real good of the people All that he wanted was to have an efficient body that would carry out without any doubt the policy that was then carried on and the policy which was dictated by the Government of India At the present moment I feel that the body of advisers should be such that their functions and duties ought to be to give the best possible advice to the head, who is there on the Cabinet We are living in times which are of a type of revolution We have to do things with a speed which, compared with the old sluggishness, would look very revolutionary We have to take a different view of things now We have to develop a different outlook and we have to remember that any good things that are good for the nation must be done at the earliest possible time and without any delay whatever And it is likely that under a new regime the Railway Board as it is constituted at present may serve as a hindrance and as a clog That is my first comment on the constitution of the Railway Board as it exists at present

My second point is with regard to the composition and the personnel of the Railway Board Now, Sir, I do not speak on racial grounds whatever I am not against importing foreign technicians and all sorts of foreign experts wherever they are to be found if bringing them here will serve the national good I do not put it also on political grounds of any racial prejudice I am not against an Englishman as an Englishman If he serves me all right, I should like to have him But at no stage should conditions be allowed to be tolerated in which foreigners—and I say this very respectfully and without any offence to any one—could not develop the same feelings with regard to my nation as my nationals would I would not like to have a perpetuation of a continued dominance of any department by people who are not Indians Times without number this point has been urged on the floor of this House and in spite of those repeated warnings even today, so far as the Railways are concerned, we find the management in every aspect dominated, except at the top at the present moment and for some time past, by non-Indians I might well be asked What does it matter if any department is dominated or is manned by foreigners so long as they render loyal service? Without offence, again it makes a world of difference as to whether a department, a crucial and vital department like the Railways is dominated by our own nationals or by people belonging to other nations To be brief, in my opinion, the dominance of the Railway Department by people not belonging to India, by non-Indians has always resulted in doing harm to the country and the earlier this state of things disappears the better for the nation

Incidentally, the question of the Indianisation of the railway services has been raised repeatedly on the floor of this House As a matter of fact, we see every

[Shri D P Karmarkar]

year that the annual report in one of the Appendices makes a pointed reference to the reduction in the percentage of Europeans as compared with the Indians in the various services I should very much like to have also another Appendix showing in how many of the top posts, for instance, the number of Indians was greater than that of the Europeans As a mere matter of curiosity, I just scanned through the list of posts in the various railways Take, for instance, the B , B and C I Railway I found that every crucial place, every position of consequence, in 99 per cent of the various departments, the top man was a non-Indian Not only that, even the man who was likely to succeed him was also a non-Indian And, much to our misfortune, I often find that both the persons were fairly middle aged with another 20 years of real service before them I wish them all long life, but that is the condition of the personnel of the railways in my country Only yesterday in response to a question the Honourable Member was pleased to say Look here, our policy was one of Indianisation That was the question with respect to the appointments of General Managerships Most respectfully I should urge that the time has now come when we must not skip any post, including the very supreme post, from Indianisation I shall content myself with regard to that subject with these observations

The second point that I proposed to touch in the course of these observations was the service aspect of the railways The Honourable Member was pleased to tell us the other day and we all noted the difference in the tone, in the way in which it was said, the seriousness with which it was said and the sincerity with which it was said that it all means a change of affairs But I should go one step further In judging the grievances of the third class passengers or our customers, as I might put it, we should not approach the problem with a spirit of charity They have a right to our services and in times to come when there are likely to be other transport agencies which will run in competition with us, it becomes also a business concern This question was once gone into by the Wedgwood Committee and they said this We have to take note of the future when other road services will compete with us and it is not sufficient for us to sit in a complacent mood Let us do our duty and other things will take care of themselves They said we must go and create our customers We must go out in the open and tell them Here is my service which is worth more than what you are paying for If we approach the problem in that spirit large incomes will come in as a result of passenger fares I will not quote the figures but it is a fact that the revenue that we derive from third class passengers has been not less than one-third of the total revenue Last year the income from the same source was 68 crores Therefore we have got to take care of our customers in a more specific way than we have done in the past Looking at that point of view not merely from a humanitarian or a charitable point of view but from a business point of view in order to increase the number of customers —judging the whole question from that point of view, I hope it will be possible for the Government during the current year to give the amenities to the third class passengers as they are required Lastly, I should say that when it was a foreign Government, this question of relief to passengers had only one aspect We rose and cried out the case of passengers I find from the debates that there has been no greater exponent of the rights of the third class passengers than your goodself That was one point Today one additional burden on the Honourable Members, who are already having irksome duties to perform, is this Hereafter, the question will be approached not simply as a matter of somebody else's brief, but Members will speak from their seats in this House as representatives of those people who happen to travel on the rail-

ways and they will speak on behalf of public opinion which this Government has to count more than what it used to count before I hope that by the time the Honourable Member addresses us next he will certainly be in a position to assert with confidence Look here, here was a year at our disposal and we have been able to achieve something tangible and definite and not untangible and indefinite as was the case with the past administration, something which you can see and which is perfectly demonstrable

Mr. Chairman: Cut motion moved

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

Mr. N. M. Joshi (Nominated Non-Official) Sir, I wish to make a few remarks on two points regarding the administrative machinery of railway authorities in India The first point I wish to make is that the administrative machinery of our railway authorities is lacking in some kind of arrangement to look after questions regarding the personnel and especially their welfare. We have a Railway Board which consists of people who are Engineers, who look after questions regarding construction of railways and all other engineering questions, there is some Member of the Railway Board to look after traffic side of the railway work also But among the Members of the Railway Board, there is not a single Member whose duty it is to look after questions regarding the personnel who carry on the administration of the railways It may be said that every Member of the Railway Board looks after this question Because it is the duty of not one Member but of all Members to look into the question of personnel and their welfare, therefore this question does not receive sufficient attention In the general administration the question of personnel is not considered very important I think this is a mistake As we want good engineers to build our railways to manage our workshops, we need people to look after the traffic question, we need some one responsible at the very top who will go into the question of personnel who are carrying out the work of the railway administration I think this is a defect of the administrative machinery of the Indian railway authority Not only we have got no Member of the Railway Board who will do this work, but we have not even got an officer who is devoting the whole time to this question in the Railway Board It is true that the Government of India have got a Labour Commissioner whose duty it is not only to act as conciliator in the matter of questions arising between the staff and the railway authority, but I think whose duty it is to look after their welfare As I know the duties of the Chief Commissioner for Labour, he is both a welfare commissioner as well as a conciliator But he is one man to look after the welfare of the employees of the Government of India in all departments I think, Sir, the Railway Administration is big enough to justify the appointment of a separate Labour Commissioner for railways whose duty it will be to look after questions regarding personnel and their welfare It may be said that they have a Director of Personnel or Establishment But so far as I know regarding the duties of the Director of Establishment, he really does not go into question into which I should like him to go, namely regarding the welfare of the personnel I would like the Honourable Member to go into this question and devote some attention whether the machinery of the railway administration is strong enough to tackle this question affecting the interests of the personnel I feel this question will day by day require greater attention and greater attention should be paid to it Sometimes I feel we give too much importance to questions which are less important I sometimes laugh within myself when I find that they have a depreciation fund For what? To see that the machinery is not depreciated But it never occurred to any one why there is no depreciation fund to see that our personnel is not depreciated I do not say that there is no arrangement at all in the railway administration to look after the welfare of the workers I am not saying that I do say that this machinery is not strong enough to deal with the question in an effective manner I know even if there is no depreciation fund, the Railway administration have some kind of

3 P M.

[Mr N M Joshi]

sick leave for their staff I want this question to receive greater attention. I shall not go into this question in greater detail

There is another question on which I should like to make a few remarks That question is the democratic and parliamentary control over the administration of our railways This legislature is supposed to exercise what I may call democratic and parliamentary control over our railway administration During the course of the year, we discuss railway matters when railway budget comes up There may be one or two Resolutions relating to railways during the course of the year There may be a large number of questions asked during question hour concerning railways But I feel that our railways are too big a concern to be adequately and democratically controlled by a legislature of this kind When the question of separation of railway finance from general finance was discussed many years ago, I had then suggested that if railways are to be controlled on behalf of the people of this country in addition to the control of the legislature, there should be another machinery for controlling on behalf of the people, perhaps as an agent of the legislature At that time the idea of having a Central Advisory council for railways was taken up and since then that Council has come into being and is functioning But, I feel, Sir, that what I have in my mind has not borne fruit, it has not been developed in the way in which I wanted it to develop The Central Advisory Council for railways meets once, twice or thrice a year But that is not enough Moreover that Advisory council is not a representative body In any case, it is not a sufficiently and adequately representative body I should therefore like the Honourable Member to look into this question whether we cannot develop the work of the Central Advisory Council for Railways and make it more representative and enable that body to meet oftener and go more fully into all the questions concerning railway administration If he likes, he may keep it as an advisory body for some time But let the body be made more representative so that it will represent both the users of railways more adequately and also the country as a whole It should also, in my humble judgment, represent the workers on the railways If the Central Advisory Council is made more representative and its functions are developed I have no doubt that the control of that body as agent of this legislature will be better and more efficiently exercised than at present I draw special attention to it this year because we are now having a change of Government, one which is committed to the principle of nationalisation of key industries Now the railway industry is one of the nationalised industries But hereafter we may have other industries nationalised, and if we have a large number of industries nationalised and if the nationalisation is to be successful from the point of view of the common people who will use the services given by these industries, we must devise some method by which these industries will be properly controlled on behalf of the people as a whole Sir, I remember reading a book by Mr Sidney Webb on an industrial parliament If we are going to nationalise industries besides the railways we shall certainly require some kind of representative Council which will exercise control over them on behalf of the taxpayers and consumers There is no merit, in my judgment, in simply nationalising an industry in the sense that it belongs to the State whose officers will manage it and run it We are interested in nationalisation because it will mean democratic control of industries, and we have to devise some machinery for such control It may be said that this legislature exercises that control but according to our experience the legislature cannot exercise that control adequately because it has not got the time and cannot go into those details that are necessary to be gone into I therefore request the Honourable Member to see whether some machinery cannot be devised by which democratic control can be exercised over our industries and—in this case—over our railways.

Mr. Muhammad Nauman: Sir, I support the motion with regard to Indianisation This side of the House has been insisting on that for a long time, but I must say that Indianisation should not mean the preponderance of one community over the other Unfortunately the Muslims have suffered most by the so called Indianisation or replacements In spite of the declared policy of Government and statements made by Members in charge from time to time we find that the Muslim percentage in the superior services and the gazetted ranks has shown little or no improvement Perhaps the replacements have been made mostly by the majority community or Anglo Indians. That is clear from the reports that have been supplied to us Even in the recent appointments of General Managers these have gone to members of the majority community although senior and suitable Muslim officers were available, probably because Muslim claims were not properly cared for I only want to impress on Government that the disparity existing between the majority and minority communities in the superior and gazetted ranks should be remedied as soon as possible I do not say that Muslim should be given a big quota somehow or other, but even that quota fixed in 1934 should be made up I am sure the personnel are available, if they are given a chance, of course with due regard to qualifications and seniority, you will find that Muslim officers are available If they are said to be incapable, it means that the incapacity has been manipulated, or that the nation produces only inefficient people, which cannot surely be accepted

Then I come to the question of railways maintaining people of superannuated age We have been raising this question for years and the reply has been that they will be dispensed with as soon as their utility is over But still even now we find in all sections of the service superannuated people being maintained

An Honourable Member The Railway Board itself is superannuated!

Mr. Muhammad Nauman If the railway administrations had been instructed not to keep superannuated people one minute longer than necessary, things would not be what they are now It would also solve the question of surplus staff which is engaging so much attention now of the Railway Board and the people This question should be carefully examined and the Railway Board should see that these superannuated people are not unnecessarily retained

Then I come to the question of reorganisation and I will touch on the point of economy The other day the Honourable Member said that financial advisers were being attached to different Railway administrations and I criticized that Sir, during the last few years I have been noticing that there have been more officers than were really required, that is to say there were more officers than Privates, a smaller army but good many officers and Generals to lead them This multiplication has been going on, and even very recently I have noticed that whereas we used to have one Financial Commissioner in the Railway Board now we have two, another additional Financial Commissioner has been brought to the Railway Board All sorts of additions are being made in the top heavy railway administrations If you compare the number of officers on the E I R in 1923—I am particularly taking that time when the E I R was company managed railway—and at present, you will find that it has multiplied fourfold Nobody would probably say that the E I R was less efficient when it was company managed than it is now I realize that there are advantages in nationalising this service, but in the particular matter of amenities, comforts, running of trains in time, and other things, certainly you have deteriorated and deteriorated badly Probably when the railways were company-managed there were fewer accidents than is the case at present when the number of officers is four times, in fact, with the multiplication of officers the accidents have also been multiplying Where the fault lies and who is responsible for that, I cannot say That is a matter for the Honourable Member and his Railway Board to examine What I am concerned with as a representative of the people is that these defects should be removed When my Honourable friend

[Mr Muhammad Nauman.]

moved this motion, probably he had all these things in his mind, and I hope, Sir, the Honourable Member will consider these points which have been placed before the House

Babu Ram Narayan Singh (Chota Nagpur Division Non Muhammadan) I support the motion The motion aims at the discussion of the necessity of re-organisation of the railway system in this country including the Railway Board Re-organisation may be attempted in two ways either by gradual reform of the department or by a revolution In the beginning the reform may be attempted, but so far as I am concerned, I feel convinced that this Department, like all other departments of this Government, like a dilapidated house has gone beyond the stage of repair The necessity is to demolish the whole thing and to reconstruct a new structure on its ruins

Mr. P. J. Griffiths (Assam European) On the debris!

Babu Ram Narayan Singh It will be done if the reforms fail When we think of re-organisation, we ought to know and remember something of its history also The Railway system has been introduced in this country by the British masters They had threefold objectives One was to find an outlet for the investment of British capital, second was to find out in the interior of the country markets for British goods, thirdly, it was meant for the speedy movement of British troops from one end of the country to the other to terrorize people into subjection Sir, these were the objectives for which the railway system was introduced in this country By this I do not mean that no good has been done to the country, some good has been done to the country, but the real objectives were these

Now when we talk of reorganisation of the railways, the Honourable Member and all of us connected with the administration of the country have to change the whole outlook The system ought to be organized for the real good of the people, to serve the people If you see the alignment of the Railway lines, you will find, I think, that except one or two lines here and there all railway lines are so laid as to serve the imperial purposes If I want to go to Patna from Delhi, I can go there within 24 hours, but if I want to go from Patna to Jamshedpur, a place in my own province, I shall have to meet with a lot of trouble and the time I shall require will be more than 24 hours The thing is this that in the construction of the Railways local needs of the people have never been consulted Now, the first thing which is necessary in reorganisation of the railway system will be to find out all those places which have not been developed There are millions of people in this country even now who have not seen a railway train, and there are places which require to be developed So in the construction of new railway lines, these things have to be considered

As regards the other item of the administration, we know the creation of the Railway Board, it has been created only recently The objectives may be many according to some people, but we know the creation of the Railway Board was a contrivance for the continuance of British influence in the Railway department even when India was free This was the real objective What is the use of the Railway Board? In the beginning there was one Chief Railway Commissioner and the administration was all good I do not think any advocate of the Railway Board can point out any single instance in which the administration has improved So in reorganization people will be satisfied if the service is Indianized and instead of the European and British Members there are appointed Indian members But I feel that the Railway Board should be done away with It is altogether useless Look at the administration! Look at the pay which is given to the officers! In any other country the pay of public servants is commensurate with the standard of the people in the country Here we have pays of Rs 3,000 and Rs 4,000 a month. It is un-

imaginably high In the same Railway Department, there are servants getting Rs 10 to Rs 15 a month This distinction has to be abolished Even now if we are to consult the list, out of 1870 gazetted officers, there are 551 British officers The number appears not very big but they hold the key posts Of the other list, out of 9219, the European officers are 652 Sir, I am glad that the date of the British departure from this country has been fixed for June 1948 I shall ask the British Officers in the Railway Department and the Railway Board to leave the country before that because after that they will have to leave So it is better and their self-respect requires them to leave the country as soon as possible so that that fatal day may not come

As I have said before, the whole thing has to be totally destroyed Even the Indian portion of the service does not stand for the service of the people. To tell the truth they are there either for their livelihood or for their name or fame It is necessary that a new set of people have to be trained I propose, and I hope the Honourable the Railway Member will remember this point, that in every province some training centres ought to be started where all classes of people should be trained for the railway services of the country Now I do not know what are the methods of recruitment to the railway services but here and there I hear that the appointments are sold and purchased or something like that But the best thing will be that all appointments should be made by competitive examination I am of opinion that the servants should be getting enough pay to maintain themselves and to maintain their family But beyond that the thing which is going on throughout the department— I mean corruption and bribes—has to be stopped by all possible means Now we hear that there are commercial stations, just like Cawnpore, where the Station Master may be getting Rs 200 or Rs 300 a month as pay but his outside income may go up to several thousands

Mr. P J. Griffiths: That is a small station!

Babu Ram Narayan Singh: This has to be stopped because so long as the administration of the country is not purified in this manner, the real good of the people can not be done So, first of all, as I have said, those undeveloped areas should be found out and railways may be extended there and next the services ought to be reorganised As regards corruptions, I insist again that these must be rooted out When I hear people talking with some sense of pride that the railways in this country are a nationalised organization

Mr Chairman: The Honourable Member has got two minutes more

Babu Ram Narayan Singh: Sir, I shall finish just now When I hear the word "nationalization' I sometimes shudder

Mr P. J. Griffiths: Always shudder!

Babu Ram Narayan Singh Yes, I always shudder So long as there is no national character in the people, these national services manned by people who are only out to loot their fellowmen, I do not think any good will be done to the country There ought to be national character first People ought to come to the railway services to serve the people and unless this mentality has been created I do not expect that any good will be done to the travelling passengers This point should be dealt with in a greater detail but I have not the time But I again ask the Railway Member that the matter of corruption has to be considered every minute by him so that the Department may be, though not all at once, gradually reformed and the administration may be pure so that real good may be done to the people

With these words Sir I support the motion

Mr. Frank R. Anthony: As I scanned this list of cut motions I noticed with regret, once again, that there is not a single cut motion which purports to cover the conditions of railway personnel I have therefore availed myself of the opportunity to refer in this cut motion, which covers the necessity for reorganisation, to one particular aspect of reorganization—the need for reorganization so far as the rules concerning conduct and discipline are concerned.

[Mr Frank R Anthony]

Rightly or wrongly I feel that this particular aspect is a vital point and one which deserves to be placed high, if not first, on the priority list of the Railway Member And I think he is fortunate in that he has succeeded persons who have tended to show a complete lack of responsiveness to reasonable requests made by Members on the floor of this House in the past Here, I would ask the Railway Member to read Chapter 17, Vol I, of the State Railway Establishment Code That chapter deals with the provisions governing conduct and discipline so far as they affect railway personnel And I think that in this vitally important aspect he has a fairly easy opportunity of securing the respect, the confidence and the co-operation of the worker I am not asking—and I am not going to ask—him to do anything that will relax or undermine discipline I have been brought up in a hard school of the sternest discipline I realize the paramount necessity of maintaining discipline at the highest level But I would ask you to study the rules and to modify the spirit in which they are employed Maintain discipline but do not confuse discipline, as has been done in the past with tyranny You have provisions relating to removal from railway service It is a provision distinct from the provision relating to dismissal Quite frankly, and I say this in no spirit of exaggeration, I regard this as a dishonest provision It is an easy handle which has been consistently abused for removing from railway service men who have given you long and commendable service A man can be removed from railway service without a single reason being assigned and what has happened as a result? I could give not one but literally dozens of instances where men have been removed for no adequate reason whatsoever If there is need for a provision like this, have it just as they have it in other departments of Government for the dismissal of a man If a man has so violated the rule of conduct as to warrant his dismissal, by all means do it But I do ask you to revise this provision with regard to the removal of railway personnel

I will give you one instance, the case of a driver from Bhusawal It is an eloquent case the case of a man who had put in 20 to 21 years of service He was known on the railways as a hard, steady and humble worker He was struck across the face by a railway officer The district medical officer certified that the weals on his face were caused by a cane All the subordinates who were there testified against that railway officer at the risk of losing their jobs That railway officer was convicted by a criminal court, but he was acquitted on appeal On the other hand the man who was struck, with 21 years service was removed You dare not dismiss him because you would have given him immediately a remedy in the law courts He would have gone to the law courts and got an injunction, he would have mulct you in damages for wrongful dismissal A man with 21 years service was removed without assigning a single reason The man, his wife and children are thrown on the streets, his gratuity and what other benefits he had a right to expect are withdrawn

Then, again, before enquiries are initiated men are suspended This is repugnant to the fundamental principles of justice as known to us Why do you assume that a man is guilty before he is proved to be guilty before any sort of tribunal? On the railways suspension covers a period of many months I am told that sometimes it takes eight to nine months before the results of an enquiry are made known During that period the man cannot insist on having the enquiry speeded up But the worst aspect is that he only receives a quarter of his substantive emoluments and this operates particularly harshly where railway employees are prosecuted in a court of law You immediately disable them from offering defence After all if they are prosecuted in a court of law they have a right to prosecute their defence as efficiently and completely as they possibly can

Another provision which I should like to draw your attention to is the rule relating to enquiry This is very important A man under seven years of

service, if he is to be considered for removal as opposed to dismissal, has absolutely no right to an enquiry of any sort If he has put in more than seven years service, he may have the right to an enquiry but the discretion is vested in the district officer whether an enquiry should be held or not I can tell you that, almost without exception, that discretion is exercised against the men But the worst aspect with regard to an enquiry is this No evidence, if an enquiry is held by a district officer, is recorded No details or reasons for a finding of removal are set down What happens? If it is decided to remove the man or even if it is decided to dismiss him, he wants to make an appeal He asks for the evidence and he is immediately told that he has no right to get any evidence I ask you to consider the monstrous character of this provision Here is a man removed or dismissed from service When he asks for the evidence which allegedly is the basis for this order of dismissal or removal, he is told "You are not entitled to receive it" On what grounds or on what materials is he going to formulate or draw up his appeal? Persons like myself may come along and make an appeal or representation Your predecesser-in-office had the habit of saying that the representation was baseless It will be baseless, if you do not give your railway employee the opportunity which is given to the commonest felon in the country Give him the evidence on which he has been convicted, give him the opportunity of making an appeal on the basis of the evidence You do not record any evidence There is no duty, no obligation on the tribunal holding the enquiry to record the evidence I am not asking you to mollycoddle your railway employees If the man is going to be removed or dismissed from service make it an obligation on the part of the tribunal holding the enquiry to record the evidence If an adverse order is passed either of removal or dismissal the evidence on which the order is based should be made available to the man concerned, so that he may be able to put forward an appeal on the basis of that evidence

Then there is this very real grievance with regard to appeals To my mind, as a lawyer this provision seems not only incongruous but very primitive indeed What happens usually with regard to an appeal? I have known of hundreds of cases, but in my experience I have not known of a single case in which the decision of a railway court of enquiry has been upset in appeal Naturally the appellate authority has no evidence to go on It merely have the bald statement that this man has been removed or dismissed from service How is it going to judge the case if the facts are not placed on record The Railway Board and the General Managers are obsessed with the one idea of maintaining so-called prestige I have talked to officials privately and they have admitted it to me "We feel that an injustice has been done but if we reverse the decision railway discipline will be undermined and the prestige of the railway administration will suffer" You cannot maintain discipline, you certainly cannot maintain prestige, and you most certainly cannot attract confidence by these means What the men ask is that they be given before they are removed or dismissed the same opportunity of defending themselves, of having their appeals properly disposed of as is given in other departments of the Government You do not find these conditions in any other department of the Government These are unique to the railway administration and these conditions are I feel probably the main cause of the deep and serious unrest among the railwaymen today You can easily remove, by one stroke, all this serious unrest by merely giving them adequate protection By all means maintain your discipline by keeping a provision for dismissal But do have an enquiry Do not use your procedure of appeal merely for endorsing blindly, without any further thought the decisions made by the lower authority

There is one other matter which I should like to refer to in this respect and that is this unique provision of being able to remove a man from service for repeated minor offences I do not know whether it obtains in any other Government department It is a provision which is abused over and over again.

[Mr Frank, R Anthony]

A man has worked for 15 or 20 years During that period the best of us sometimes make mistakes But what happens? A man becomes *persona non grata* with the District Officer Even if he does something which is comparatively trivial the District Officer decides to get rid of him But he dare not get rid of him on his recent conduct I will give you an instance A man, after working continuously for thirteen hours on the engine, was given further duty He mentioned that he was physically exhausted He did not even refuse to take his engine on But he said Give me an indemnity chit in the event of my meeting with an accident' It was refused A man is entitled, after twelve hours of duty, to be signed off Because the District Officer had no basis on which to remove him, he was put on a charge for 'repeated minor offence' If he was fined Rs 5 for dropping a lead plug or reprimanded for alleged insubordination, every little incident in the whole career of 20 years was raked up You remove him and throw him and his family out in the steets There is no comparable provision in any other department of Government and I would ask you to remove it

I would finally ask the Railway Member to consider, under the question of reorganization, another point, namely giving absolute discretion to the District Officer to decide whether a man who has put in twenty years of service or more should receive his gratuity or not The man has put in his full term of service His service record may not represent an absolutely clear sheet But he was considered good enough to be allowed to continue in service for twenty-five years or thirty years Surely, after having put in such long service, however, imperfect it may have been in certain directions, he has a right to expect that his gratuity should be paid to him On the other hand you give complete discretion to the District Officer to say "Although this man has completed his service although he has put in thirty years of service, I do not consider his record of service such or so high as to warrant the payment of gratuity' These are matters to which I would ask the Railway Member to apply his mind I believe the redress which is long overdue can be effected by him at no cost to the railway prestige at all and at no cost to your discipline but in such a way which will only secure respect for you

The Honourable Dr John Matthai Sir, the discussion has ranged over a wide variety of matters and it is a little difficult for me to reply in any adequate way to the points which have been raised The first point, and I think the most important point, which has been raised is the question of Indianisation That is a matter to which the present Government have given a great deal of thought and attention There is no difference of opinion between the Government and this House as regards the need of speeding up Indianisation As the House is aware, soon after the assumption of office by the present Government, we have laid down that there should be no further recruitment of non-Indians into our services except in special cases and that with the approval of the Home Department of the Government of India As far as the railways are concerned, there has been no recruitment of non-Indians since 1941 for various reasons So, to the extent of the recent provisions made by Government and by the practice on the railways since 1941, the position has improved and the process of Indianisation will be facilitated

There is, however, a rather fundamental question which arises in connection with this problem to which I think it is necessary that the House should apply its mind It is a problem which relates not merely to the railways but to every department of Government We have ahead of us important constitutional changes which may make an enormous difference to our country In view of the fact that within a very short time this country will reach a position of complete political independence it seems to me that this question of Indianisation assumes a great deal of importance Since we are on the eve of big changes, we ought to know clearly where we stand with regard to this

problem The way in which this question presents itself to my own mind is this The first reason why we want Indianisation in the services of Government is, that in view of the psychological change which has been brought by the national movement we want, as a matter of national self respect, that positions of importance where decisions vital to the welfare of the people can be made should be held by our own people Another reason which probably is more important from a practical point of view is this When we assume charge of our own affairs, then it is a matter of the most urgent importance that we build up in this country a sufficient reserve of managerial and technical capacity We cannot build that up unless in the meantime people of the country in increasing numbers are able to hold positions where such experience can be gathered Under present conditions, these are the two most important reasons why the process of Indianisation should be speeded up

I remember more than 30 years ago the great leaders of political thought in our country used to base the case for Indianisation partly on grounds of economy I have no doubt that if you take a long term point of view there would be very considerable economy In our country salaries

4 P M

attached to public offices have been fixed on a somewhat artificial basis Taking the superior services, the salaries have been fixed with reference to the requirements of people who have been brought here from abroad and who, especially if they are men with family responsibilities, have to maintain two establishments, one in this country and one in their own and who have also to be compensated for the disadvantages of life in a foreign country When Indians began to be appointed to the superior services, they were paid the same scale of salaries on the ground that no distinction should be made between our people and others when they hold similar positions The result is that at present we have an anomalous and somewhat indefensible system of public salaries Therefore in the immediate future, an increase of Indianisation in superior services would not necessarily mean economy although there is no doubt, that if you take a long term point of view, it would

May I say that the present Government attaches the greatest importance to this problem and everything they can do in the matter of speeding it up will be done Having said that, it is necessary to put another aspect of it before the House In some of the speeches which have been made here this afternoon it has been said that one reason why we should speed up the appointment of Indians to key positions on the Railways, as in other departments, is that they will bring the Indian point of view to bear on their duties Sir I want to make it clear, that that is a ground on which I personally would not advocate Indianisation It is not the business of a permanent servant of Government to determine or inspire policy particularly when, there is a Government composed of people who represent all camps of political thought in the country

There is another aspect of the question which I would like to bring to the notice of the House Our policy as a Government, is that in future there should be no recruitment of non-nationals into our services but it is also our policy that non-Indians who are already in the service of the country and who on grounds of seniority and merit and actual record of work on behalf of Government are eligible for preferment or promotion, should not be kept out merely on racial grounds In every country where there is a popular Government set up for the first time, there is a definite moral obligation on that Government to see that people who are already in the service of the Government who are not nationals must be treated with justice and fairness I cannot believe that in a country with the traditions of generosity and hospitality so characteristic of India, the people want that the Government should treat those who are in their service and do not belong to the country in any manner which may be regarded as unjust or unfair

Now, Sir, there have been various matters referred to in the course of the discussion regarding railway administration One of the criticisms that have

[Dr John Matthai]

been made by my Honourable friend the Mover is that the Railway Board is working as a sort of *imperium in imperio* and that it is important that there should be some change made in the organisation of the Railway Board, so that a breath of fresh air might find its way through the Board to the Member in charge As the House knows, I have been in charge of this department for only four weeks but in the course of that brief period I think I have been able to get sufficient experience of the actual way in which the Railway Board functions, I should like to tell the House how it works The Railway Board consists at present of five members with the Chief Commissioner at the head of it The Chief Commissioner is, so to speak, the apex of this organisation He directs the work of the whole of the Board He has a large measure of authority over other Members of the Board There is not however a single matter of any importance, any question of policy or principle or any important question of appointment, in which he can pass final orders unless he receives my approval Our practice is that the Chief Commissioner meets me almost every day for a discussion of the matters on which decisions are required It is not merely a question of my exercising a right of veto It is also a question of my making such positive contribution as it is in my power to do to matters under deliberation It all depends ultimately on the way in which the Member in charge of the Department takes his responsibility If the Member takes his work seriously and is prepared to put in a reasonable number of hours of work in his office, there is hardly a matter of any consequence which comes up before the Railway Board which the Board can dispose of unless they have my definite and positive approval Within my experience it is difficult for me to conceive of the Railway Board as functioning in contravention of my views on any matter of railway policy I have very little doubt as regards that point

Mr Joshi raised the point that the service idea should be inculcated on our railways That, again, is a question that applies not merely to the Railway Department but to every Department of the Government of India I am a believer in that The departments of Government in this country should regard themselves not as sources of authority but as organs of public service In a bureaucratic system of Government, it often happens not merely in India but in every other country which has passed through that phase that departments of Government function more as instruments of authority than of service If this House takes its responsibilities seriously and brings matters under constant review they will be able to get departments to develop a new outlook The question therefore, depends largely on this House

Mr Joshi raised particularly the question of a Personnel Department on our railways There, again, I am in sympathy with him Already steps have been taken on our railways to institute an organisation for the purpose of dealing specifically with problems of personnel It is a very important problem The railways are the biggest single industrial undertaking in this country employing very nearly a million people Whenever an industry assumes dimensions of that kind, there is a problem which arises of great importance which is likely to be overlooked unless special steps are taken, it is the old question of maintaining personal contact between those in authority and those who are under authority Unless we can bring the human touch into big industrial organisations we shall not get very far with our work And if by some kind of reorganisation it were possible for us to introduce the human touch into our railways, I, for one, would most warmly welcome it We have an organisation actually in being today on some of our railways for dealing with this problem, which probably needs expansion The House will be interested to know that we have given thought to this problem, particularly from the point of view of training up a body of railway officials who will have the necessary skill, experience and outlook for dealing with these human problems We have already in hand arrangements for the training of some of our

officers for this purpose in the Calcutta University I want to have that idea further encouraged I think there is a good deal to be said for putting into the minds of our officers who deal with labour problems the idea that it is this human approach to the problem that ultimately would make the most important difference to it

He raised a further point and that was increased representation on the Central Advisory Council On that question I feel a bit puzzled I do not quite see my way to a solution of the problem on the lines that he suggested My instinctive feeling is that it is not a promising suggestion Mr Joshi incidentally quoted Sidney Webb in support of his idea that industrial concerns like the railways should be brought more and more under democratic control It so happens that Sidney Webb was my tutor when I was a student in the London School of Economics and Sidney Webb's idea of social re-organisation, as far as I was able to make out during my period of two years under him, was that he conceived of an ideal society in terms of a policeman at every street corner If that is what Mr Joshi wants, he is welcome to it

My Honourable friend, Mr Anthony, raised some questions regarding the removal and dismissal of employees I am afraid I am not sufficiently familiar with that aspect of railway administration But in view of the strong terms in which he has put that problem, to me, I should certainly go into it Probably it would help my examination of that problem if he will be so good as to let me have a few cases which have come to his notice in which he thinks injustice has been done If anything can be done without detriment to discipline it will be my endeavour to do so As the House knows, we have periodic Conferences of the General Managers of our Railways and there is going to be one some time in April If I am able to get a concrete idea of the problem he has raised, I should be able to discuss it with them

Shri D. P Karmarkar. Sir, I seek your permission and the permission of the House to withdraw my cut motion

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

DEMAND No 4 WORKING EXPENSES—ADMINISTRATION

The Honourable Dr. John Matthai: Sir, I beg to move

'That a sum not exceeding Rs 17 28,84,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Working Expenses—Administration' "

Mr. Chairman: Motion moved

'That a sum not exceeding Rs 17,28,84,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of Working Expenses—Administration' "

Economy in Railway Administration and Maintenance

Pandit Govind Malaviya (Allahabad and Jhansi Divisions Non-Muhammadan Rural) Sir, I move

"That the demand under the head 'Working Expenses—Administration' be reduced by Rs 100"

Sir, we realise the difficulties of the Honourable Member for Transport of the Government of India We know his is no easy task I am sure that every one of us would extend to him understanding and support What we wish to say is in the spirit of helpful constructiveness We wish to draw his attention to some of the items which strike us as deserving of Government's consideration We wish to refer to them through these Cut Motions that he and his Department may give their attention to them

[Pandit Govind Malaviya]

Sir, the budget papers do not reveal a very rosy picture We will need to enforce economy, we will need to increase our earnings, we will need to do many things in various directions if we are to make a success of our Railways which are our biggest industrial concern It is none too reassuring a state of things that no less than four of our railway systems should run at a loss even in these days, when almost any business anywhere, run even on the most inefficient and doubtful lines is yielding fat dividends even to incompetent businessmen It is an extraordinary thing Sir, that in no less than four of our railways, State managed railways, namely, the Bengal Assam Railway, the Bengal Nagpur Railway, the East Indian Railway and even the Oudh and Tirhut Railway which until it was taken over by the Government was known to have declared the heaviest dividends, it is an extraordinary thing Sir, that in all these four railways, there should be a loss It is a serious state of things There is obviously something fundamentally wrong about things We therefore wish that the whole question of effecting economy and improving our earnings should be gone into in a most earnest manner

It is a happy augury that the Government have appointed a high power committee, the Railway Enquiry Committee, 1947, with our very able and experienced colleague Mr Neogy as its chairman That really is a sound step in the right direction I do not know of anybody else who could be a better chairman for that committee Indeed, if it were not for that fact that as chairman of that committee he now keeps mum, I am sure that instead of us who learn things from Mr Neogy, having to stand up and draw attention towards these points and trying to get information from the Government, Mr Neogy would have made his own valuable contribution to these debates in his own inimitable and useful manner Sir, I do not know why we should be pessimistic of the possibilities of achievement of that committee I am sure the Honourable Member for Transport and his Department will give them the fullest opportunity to go into the whole matter as thoroughly as possible and to tell us as to how best we should run our railways in future

Sir, there are a large number of items in the railway budget to which one would like to draw attention But the limited time of 15 minutes at our disposal would permit of our doing so only in the briefest manner possible I should first of all like to draw the attention of the Honourable Transport Member to the question as to whether we cannot do away with our Clearing Accounts office As we all know this office was created because it was felt that in railway accounts, the work of apportionment of shares of through fares and freight between different railways had to be done by this office Even if there was any need for such an office in the past, in view of the fact that even company managed railways had, previous to the creation of this office, carried on that work simply by correspondence, is it not feasible now, when all railways are under one control, to do away with this office and save nearly 30 lakhs of annual expenditure which we incur upon it? I hope, Sir, the Honourable Transport Member will be good enough to consider that question

The second thing to which I wish to draw attention is the proposal to start a new finance branch for every railway As we know, audit and accounts sections of railways used to be one and the same at one time It was felt however that on account of that arrangement, the administration of railways was handicapped as they could not get the necessary technical advice and support of their accounts branch Therefore as a result of the recommendations of the Acworth Committee the two were separated and the audit department is now functioning separately I know some small technical difficulties are there because the personnel of the audit is still attached to the audit department and not to the railway department All these are small matters The fact remains that the arrangement as it now stands has gone on for a

long time Before we could agree to the proposal for the establishment of a third and costly new section, we should like to be told how this arrangement has failed, whether it has been found wanting and why If we must have yet another department, a third department, why not let all the three departments be reshuffled and reorganised so that instead of three, we can have two to perform all the task more efficiently and satisfactorily than heretofore thereby effecting a good deal of saving to the taxpayer

The next point to which I wish to draw the attention of the Honourable Transport Member is the question of regrouping of our railways While referring to this question, the Honourable Member said it was not desirable at any rate now I do not see why it shou'd not be so The Pope Committee in their first report and in their second report have spoken in favour of it and they said it would lead to a lot of good I have not got the time to quote from their reports, but I earnestly suggest that this matter also should be looked into In this connection, I should also like to refer to the need of a little reorganisation and reshuffling of the duties which the Members of the Railway Board are performing As we understand it, at present, each Member of the Railway Board deals with one particular department of railway administration covering the whole country The result is that while one Member deals with one side of it and another deals with another side, there is no Member in the whole Railway Board who can have a feeling of being responsible for the general well-being and satisfactory running of the railways except the Transport Member (*A voice* "The Chief Commissioner") The Chief Commissioner, we know, is there to help the Transport Member and the two together practically form one Head alone I suggest that we should consider the feasibility of each one of these Members of the Railway Board taking up the responsibility of a particular zone and being responsible for all aspects of the administration of the railways in that area

Then Sir, coming to other more visible points in the Budget, in the interest of economy and possibly also of efficiency, I should like to draw the attention of the Transport Member to the system of signalling which is being favoured by the Railway Board The explanatory memorandum on page 15 tells us that 51 lakhs of rupees are going to be spent towards signalling and interlocking

An Honourable Member. That is in order to prevent accidents

Pandit Govind Malaviya. My dear and Honourable friend tells me that that is in order to prevent accidents If he would bear with me, I was going to tell him that the Wedgewood report, page 19, has something to say about it It says

"The signalling adopted in India has been more expensive than the circumstances have justified Consideration is being given to the possibility of simpler and cheaper methods and this investigation should be pushed forward We believe that the system adopted in South Africa would be found worthy of imitation"

Sir, all requirements of safety and efficiency were taken into consideration by these experts, and they were of the opinion that a cheaper system would have done very well for India, and yet, somehow, possibly having fortified themselves with opinions expressed by some of their departmental experts, the Railway Board have pushed on with the most expensive signalling system called the Standard III signalling system The report of the Standing Finance Committee for Railways, Vol XXIII, No 8, on pages 108—11, shows that provision has been made for introduction of that system on certain stations on the N W Railway, and that on that one railway alone we are going to spend over half a crore of rupees on that expensive system Who can say how much it will cost if that system is adopted all over India? I submit that it needs consideration

[Pandit Govind Malaviya]

Then, Sir, there is the question of maintenance and a great deal of economy can be introduced if we remodel our workshops, rationalise and mechanise them and introduce the system of centralising and mass producing certain items at certain workshops, as has been recommended by several of these committees Similarly, there is the question of labour in these workshops I know I am treading on dangerous ground, I have all the sympathy possible for labour, the world does and should belong to them and they should have all facilities But I believe that the number of labourers in these workshops has risen enormously, and that not because the work has increased but because there is a manual helper standing by the side of every worker in every department It should be obvious that no business can run where two men have to be paid for doing the work of one man I hope that will be looked into

There are other points which I cannot touch upon but there is just one to which I will refer before I close and that is the need for research and investigation,—standing, perpetual, never flagging high-pressure investigation and research,—ever and ever to bring in new improvements, to introduce new economy and to find out new sources of income The Pope reports, the Wedge wood report and all other reports have stressed the need for this If all this is done I have no doubt that the railways will still find it possible to carry on satisfactorily and well

There are many other points but I cannot touch upon them for lack of time We have, however, the satisfaction of knowing that we have now a Government whose viewpoint is the same as inspires each one of us I am confident that Government will take account of all the requirements, and see to the betterment of things We trust that our distinguished Transport Member with all his practical experience will do the needful in all these directions so that his administration of the Railways may redound to the glory of this first national Government in India

Mr Chairman Cut Motion moved

"That the demand under the head Working Expenses—Administration be reduced by Rs 100"

Mr Nagendranath Mukhopadhyay (Calcutta Suburbs Non-Muhammadan Urban) Sir, I rise to support this motion The Honourable Mover has shown in a general way how economy can be effected I am glad that the Transport Member has been able to give such a lot of matter in the short compass of the railway budget The Indian railway system is no doubt a large industrial concern, it has 800 crores of capital and employs 9 lakhs of people The backbone of such a concern is economy If economy can be practised fairly and squarely I think all the departments will be well managed and no grievance will be felt anywhere My Honourable friend remarked that the railway system has been completely nationalised I cannot agree with him there Far from being completely nationalised, it has not been nationalised at all We all know that the East Indian Railway was run for the benefit of the shareholders and those Europeans who managed it It was not for the benefit of the public but for those who held office Then some of the railways were fortunately taken over by Government and it was an imperialistic Government Now we have the legacy of the old regime and only the label is changed There is no economy When the Britishers founded a gigantic empire here they built everything in a gigantic manner The hall in which we meet is a big structure as if to rival the glory of the *Jama Masjid* Everything was done in a gigantic manner They spent money profusely and lavishly without any consideration If economy is to be effected, it has to be at the top, not at the bottom By discharging people and making retrenchment nothing substantial can be done, but by reducing the pay of high paid officers you can effect some economy We find that the Chief Commissioner is drawing Rs. 5,000, Members are drawing Rs 4,000, Directors are drawing Rs 3,000 and so on We hear of so many

thousands in relation to these big officers, and side by side we find that their servants are getting Rs 14 p.m. and their clerks are getting Rs. 40 p.m. This is not encouraging, and this state of affairs should not be allowed to continue Had the services been nationalized, these Honourable Members would have voluntarily reduced their pay to Rs. 500, which has been recommended by the Congress, and shown a way to economy.

Then we find, Sir, that orders for locomotives, engines and boilers etc are placed with the foreign countries—with the United Kingdom, Australia, and America Why are these things not made here? The Honourable Member should make it a point not to place a single order with any other country, and he should try to manufacture everything in India If he will do so, the cost of administration will be substantially reduced

Then, Sir, we have these 2nd class, 1st class and air-conditioned railway carriages India is a poor country and we cannot afford these luxuries. We should live as humbly and as economically as possible, and so I think such costly carriages should not be constructed Necessary comforts should be given to every passenger whether he travels in 1st class, 2nd class, or 3rd class.

Then I find that there is no regularity in the running of trains Accidents are happening every now and then It is very discouraging indeed People hesitate to travel by trains If the service is improved, people will travel more, and consequently the income of railways will also increase Those persons who die in accidents should be given adequate compensation

Coal is lavishly spent and there is no regular system of controlling the consumption of coal I think if electricity is used instead of coal, a lot of saving could be effected in this one item

As my Honourable friend, Pandit Malaviya, pointed out since practically all the Railways have been taken over by Government, there can be unification of officers So many Managers and officers are not required now Some reduction in expenses can be made in this direction

Every year a contribution is made to general revenues Why? Railways is not a business concern In my opinion we should stop all contribution from Railways to general revenues

When Railways were taken over by Government, some loan was raised 26 crores have been paid as interest so far They have enjoyed this interest for a long time I think this rate of interest should be scaled down to half and the Indian Railways should be saved from this burden

My Honourable friend, Dr John Matthai, has taken a very unpopular step by raising fares and feights I can see that the exigencies of service demanded this and he has been well-advised to do so, but my suggestion is that it should not be a flat rate for everybody, for Inter and Third class the percentage of increase should be 6¼ whereas for 1st and 2nd class it should be 12½ A flat rate will not be equitable, because it is generally the poor people who travel by Third and Inter class and only rich people travel by higher classes It is a bitter pill to swallow, but we have to swallow it in the interest of good administration

Finally, I submit that proper remuneration should be given to the workers There lies the real economy They should be made to feel that this Railway belongs to the workers so that they will take lively interest in its administration, and give up corruption Corruption has been rampant in the Railways because the wages of workers are so low, and it is a charter to them to employ questionable method to make money in order to support their families That should not be the case. They should be made partners in this institution; some share should go to the workers so that they may realise that if they increase the income of Railways, they also stand to gain, and they will have a share in the profits They are the real sufferers and it is through their energy and sacrifices that the Railways are earning so much.

[Mr Nagendranath Mukhopadhyay]

I am glad to find that no retrenchment will be made But, Sir, I am not in favour of these high-sounding reports. The Standing Committee after considering the question for some months have decided that Rs 4-8 will be paid to officers drawing up to Rs. 250 p m What is the good of wasting so much of time and energy in considering this question for such a long time and then sanctioning this paltry sum This roundabout way of doing things is to be avoided. As our Honourable Member has taken charge of this administration, everything should be simplified. I know that English machinery is complicated but Indian machinery should be simple and easy So if attention be given to all these matters, I think there should be all round economy and the workers should be made a partner of this railway administration That is my humble submission

Mr. A. C. Turner (Government of India Nominated Official) Sir, with your permission I will try to explain one or two of the facts that have emerged from this debate There was an accusation that Government had been extravagant in the type of signalling they had adopted Standard III signalling is the standard laid down for unrestricted speed Standard II is for 40 miles per hour and Standard I is for a limit of 25 miles per hour. The necessity of spending money on signalling lies in the desire to move more traffic over existing lines and one way to do this is to move the traffic at higher speed This naturally involves the use of higher standards of signalling and that is why we have gone in for Standard III signalling But since the Wedgewood Committee made its report, we have developed and tested out a new system of signalling which is technically known as 'double wire' signalling, whereby Standard III signalling can be installed at a cheaper cost than it used to be before This is due to the operation of all signals from one cabin in the centre of the station instead of at each end of the station, thus saving on capital cost and on operation and labour Thus though on the whole the standard of signalling and inter-locking which we have adopted now is higher than before it has not been adopted without due regard to economy In fact the case is very much the reverse

Another point which was raised was the question of the rate at which we pay interest to the Central Government Well, the rate we pay is the weighted average of the outstanding loans of the Central Government and every time the Central Government carries out conversion operations favourably, that benefit is reflected in the rate which we pay to the Centre For example in the current year, the rate is 3 3 per cent and in the budget year it will be reduced to 3 2 per cent, and so eventually we hope one day we may get down to about 3 per cent.

Another point raised was the Railway Clearing Accounts Office The suggestion was that it should be abolished Well, as the House knows it was very nearly abolished last March It was in fact burnt down as you will remember The point is . . . . .

Shri Mohan Lal Saksena (Lucknow Division Non-Muhammadan Rural) You have not taken the hint!

Mr. A. C. Turner: The point is that considerable work other than the distribution work has to be done in this Office Further, as regards the distribution work all the railways in India are not Government-owned railways There are still the State Railways and a few Company-owned branch lines and this work of distribution of the receipts still has to be done in order to determine what is due to State Railways and Company-owned railways. Then again it is necessary to calculate the operating ratio of all railways in order to determine what has to be charged each year to the worked lines. So the calculations have to be made for that reason I think another valid reason is that if we were to try and control and analyse the working of the whole of the

Indian railway system together, not divided up into its present units, it would be very difficult to say which part of the railways was running efficiently and which part was not. It seems to me we must continue to separate out the receipts by smaller units than the whole system, in order to watch the results that are being attained and to facilitate financial control

The only question that seems to me to arise is whether there should be decentralisation At present the work is centralised except for the two railways in South India and the O T Railway We have gone into that question and it is our present view that it would be uneconomical to decentralise Our objective is eventually to bring the O T Railway also under our Railway Accounts Clearing Office though we may have to leave the two South Indian Railways to deal with their own work I may add that the Enquiry Committee will be looking into this question of the future of the Railway Accounts Clearing Office

One last point I would like to touch on and that is the question of creating the proposed finance branches in Railway Administrations The idea seems to have got a foot here that we are proposing to create a large number of new posts Our views as to the final set up have not yet been determined An officer is on special duty and is going into the whole question Very definitely my impression is that there will not be many extra jobs involved. It will involve a redistribution of duties among existing posts rather than the creation of extra posts

Pandit Govind Malaviya: I beg leave of the House to withdraw my motion

Mr. Chairman: Has the Honourable Member leave of the Assembly to withdraw the motion?

Haji Abdus Sattar Haji Ishaq Seth: The Honourable the Railway Member wishes to speak

The Honourable Dr. John Matthai: I would like to say a few words This question of economy in railway administration is, I agree, a matter of very great importance, and as Member in charge, I feel that I have got to give, during my tenure of office, very special attention to it Actually, Sir, the main expenditure that we incur on the railways is in respect of first labour and staff and secondly of power And for myself I am of the impression that in the immediate future it is not likely that we shall be able to get very much economy effected As regards labour, as the House knows, the position is that unless we are in a position to effect retrenchment of all the staff which is surplus to our requirements, there is not much that can be attempted We are under a special obligation until the adjudicator gives his award not to effect any retrenchment on a substantial scale That of course is a limiting factor I have not the slightest doubt that at a later stage it may be necessary for us to apply ourselves to that question because the expenditure on the staff that we employ at present as the requirements of the railways in respect of war diminish, is likely to prove rather beyond the capacity of railway finance But it is a matter in which we have got to pick our way through rather cautiously

As regards the superior staff, I have gone into this question It is certainly our desire that if there is any superfluous appointments in the superior ranks we ought to do away with them But the impression that I have formed having looked at the statistical position that at present the amount of superior staff in the gazetted ranks is not to my mind perceptibly in excess of our requirements It is just possible as the responsibilities of work that fall to the railways hereafter develop, it may be that the staff may prove inadequate

Now that my Honourable friend, Mr. Neogy, has just come into the House, I want to say this that this is one of the questions in which I expect that Committee to go into with particular care As far as I am able to judge the biggest contribution that Mr Neogy's Committee can make to the problem of

[Dr John Matthai]

economy is that as the responsibilities of the working of the railways increase, we should not be required to go beyond the present level of cost If Mr Neogy's Committee would enable us to stick to the present level of costs, even if our work expands, I think he will have made a very big contribution

There is of course this very important question of regrouping, which to my mind is a measure which has got to be examined from the point of view of economy with a great deal of interest The whole point of regrouping is this

5 P. M. Now that the state-owned railways have also become state-managed, it is possible by regrouping to reduce the standing overhead charges of our administration Possibly some measure of economy may be achieved that way, perhaps on a very perceptible scale But there is some difficulty, as I said in my budget speech, in getting the scheme carried out immediately, because the railways are at present faced with a very big problem of meeting the difficulties that have been handed down to them from the war period While we concentrated on that work it is rather difficult to pursue this question, if at the same time you are yourself going through a process of reorganisation Then there is this whole question of the restoration of our old lines, the question of new lines and so on Until the set up and the shape of each railway system becomes a little clearer, it would be difficult to take in hand the question of regrouping But, as I said before, I regard this as a matter of very considerable importance from the point of view of economy and as soon as circumstances permit I propose to go into it

If I may say so, in conclusion, there are two things which I feel I ought to regard as my main objectives during my terms of office The first is economy, the subject which we have just now discussed, and the other is the question of providing greater amenities

Pandit Govind Malaviya: Sir, I beg leave of the House to withdraw my motion

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

Mr. Chairman: There is no other cut motion on Demand No 4 and so I will put the question

The question is

"That a sum not exceeding Rs 17,28,84,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Working Expenses—Administration' "

The motion was adopted

The Assembly then adjourned till Eleven of the Clock on Monday, the 24th February, 1947

LEGISLATIVE ASSEMBLY

Monday, the 24th February, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr President (The Honourable Mr G V Mavalankar) in the Chair.

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

DE-REQUISITIONING OF PROPERTY

515. ***Mr. C. P. Lawson:** (a) Will the Secretary of the Defence Department please refer to the reply to part (c) of my Starred Question No. 67, of the 30th October, 1946 relating to derequisitioning of property and state whether he is now in a position to lay the promised information on the table of the House?

(b) Will he also inform the House how many camps have been broken up and equipment disposed of by sale or otherwise?

Mr. G. S. Bhalja: (a) I lay on the table a statement showing the position regarding hutted camps as on the 1st December 1946.

(b) An effort was made to collect the information but it was found that the time and labour involved in obtaining it would not be commensurate with the value of the result

STATEMENT

rial Io.	Station and name of Camp.	Present hutted capacity	Life in Years	Whether vacant or occupied	Present Occupants	Remarks
1	Abbottabad—					
	TOBE Camp . . .	1,818	Two	O .	The FF RIF Regtl Centre.	
2	Ambala—					
	R. R. Camp	440	Three	O	2/15 Punjab Regt.	
3	Allahabad—					
	Convoy Staging Camp	500			Convoy in transit	
4	Arkonam—					
	AIR Trooping Transit Camp	1,597	Five	O	Strength varies	
	Do. .	63	Five	O	Hospital RIAF	
5	Amla—					
	Staff Camp . .	54 Married 60 Single	Three .	O	Superior Personnel married and single	
	Labour Camp .	750 M. 750 S.		50% V O	Civil labour M&S	
6	Avadi—					
	Avadi Camp	25,286	Average 3 years	60% V	IPC units RIASC, MCLU, BASE W/Shop Coy etc.	
	Punnur Camp . . .	532	One	V .		
7	Bakloh—					
	Dangu Camp .	50	Ten . .	V .	.	
8	Bareilly—					
	First Stage Hutments.	2,000	Three	17% V	JAT R. C	
	Cemetry North Camp .	1,503	Three . .	90% V	Jat R. C	
	Cemetry South Camp	1,500	Do	80% O	Disbanding Bns. Jat Regt.	

9	Barrackpore—				
	Blair Camp . . .	480	Two . .	75% Vacant	73 Brit Indep. Bde.
10	Benares—				
	Con Staging Camp . .	253	Two .	NOT KNOWN	Strength varies.
	Transit Camp Mughalsarai .	223	Two .	NOT KNOWN	Troops in Transit.
11	Bangalore—				
	"A" Camp High Ground	400	Two	O	AIR Fmn Sigs.
	"B" Camp do.	92	Two	70% V	Officers quarters.
	"D" Camp do.	272	One	O	Used as Stationery Depot.
	R. R. Camp .	750		O	515 Comd. W/Shop, 48 Anti-MALARIA UNIT, HQ Coy OTS MES W/Shops.
	Holiday HOME .	1,500	.	50% V	RIASC Educational Centre, Camp. (Used as School)
	South Parade Camp IT . .	600	24 years (ancillaries)	V	
	RAF Camp .	758	One	O	2 D. C. (R.A F)
	Institute Camp	850	Two .	O	S & M Boys Bn
	Camp No. 1	1,030	Three .	50% V	CMH (West) JALAHALLI
	Camp No. 1 Staff	500	Three .	50% V	Hospital Staff CMH (West)
	Camp No. 3 .	1,200	Three	50% V	137 IBGH
	Camp No. 4	1,139	Three .	50% V	Warwick Regt & Staff, 145 Ind. Inf. W/S IEME & Married Officers
	Camp No. 5	1,315	Do. .	40% V	1st Essex Regt
	Camp No. 2	1,844	Do. .	20% V	IBGH (IT)
	Camp No. 6 . .	1,784	Do. .	30% V	IMH Jalahalli.

sl	Station and name of Camp.	Present hutted capacity	Life in Years	Whether vacant or occupied	Present Occupants	Remarks
	Camp No. 7	1,377	Three	40% V	CMH (East)	
	Camp No. 8	1,341	Do.	70% V	18 Fd. Regt.	
	Domestic Camp RAF	500	One	30% V	No 2 Ind. Gp RAF	
	HEBBAL CAMP	683	2 & 5 years	O	6 M. T T C	
12	Belgaum—					
	Sambre Camp	1,424	Three	O	12 IEME TC & Stn W/Shop RAF C & M Party	
13	Bombay—					
	Chembur Camp	400	One	25% V	Depot Bn. 1 TTC RIE-MAR Trg Coy	
	Transit Camp Colaba	1,760		33% V	Troops on Bombay Duty & in transit. Det IPC-Det 2 G Rifles-Det Emb HQ.	11 Huts condemned.
	Holiday Camp Colaba	1,550	Three	75% V	Leave personnel and Staff Det 2 R Lancaster Det Bombay Signals	Earmarked for leave personnel
	Do	250	Do	O	107 Prov Unit	
	Koliwadi Camp	564		O	187 (GT) Coy RIASC	
	Madh Island Camp	1,071	One	75% V	Combined Operations Area	
	Kurla North Transit Camp	507	One	45% V	118 Ind. Inf. W/Shop Coy	
14	Bhusawal—					
	Accn Area	959	One	30% V	10 IR (POL) Depot	
15	Calcutta—					
	No. 4 Camp Red Road	514	One	O	HQ MOV Eastern.	

	Transit Camp Red Road	3,728	One	45% V	Staff Personnel 20 Fd Butchery 160 Fd. Regt RA MES Staff L of C Signals Inspectorate of Mech.	
	Maidan Camp	110	Three	O	'O' L. of C Signals.	
	Behala Camp Behala	340	Two	O	Embn HQ Calcutta.	
	Behala Camp Shahpur Road	50	Three	O	4/2nd GR (Bn. HQ) „ „ (MT).	
	Belvedere Camp	522	Three	O	25th Dragoons.	
	Bally Camp	142	Two	O	'Q' L of C Sigs.	
	Transit Camp Tala Park	1,832	Five	O	Transit Personnel IT.	
	Marine Camp	269		O	ASSU, IAOC W. & Ward.	
	Nilasees Camp	110		O	ASSU W & W	
	Hoogli Camp	196		O	Do.	
	Transit Camp Dum Dum	35		75% V	Staff Officers BORs and Transit Officers.	
16	Cawnpore—					
	Convoy Staging Camp	130	One	V		
17	Clement Town—					
	Camp 21—					
	Wing 1—5	2,000	One	10% occupied Rest Vacant.	Det 8 Raj Rif	
	Camps 22—					
	Wing 1	400	One	17% occupied	'B' Sqn R. D. H	
	Wing 2—3	800	One	V		
	Wing 4—5	800	One	60% V	208 Fd Regt. RA.	

Serial No.	Station and name of Camp	Present hutted capacity	Life in Years	Whether vacant or occupied	Present Occupants	Remarks
	Camp 23—					
	Wing 1—3	1,200	One	V		
	Wing 4—5	800	One	40% O	208 Fd Regt RA.	
	Camp 24—					
	Wing 1	400	One	75% V	TAC & ADM School.	
	Wing 2—3	800	One	90% V	208 Fd. Regt RA.	
	Wing 4—5	800	One	90% V	TAC & ADM School.	
18	Cochin—					
	HAA Camp (Cochin Br) (Dhobi Ghat).	150	One	V	...	
	HAA Camp Pallurutuy	150	One	V	..	
	HAA Camp Vythala	150	One	V	..	
	HAA Camp Balghauty	134	6 months	V	.	
	Transit Kohima Camp W/Island	140	One	V	...	
	Tps HQ Mandalay Camp W/Island.	48	One	V	...	
	Transit Camp (Imphal Camp)	900	One	V	..	
	Anson Camp	2,540	Four	Not known	Transit Camps.	
	Key Camp	1,355	Four	Do.	R. I. N.	
	Cochrane Camp	1,355	Four	Do.	R. I. N.	
	Hoste Camp	1,355	Four	Do.	G. T. Coys.	

19	Dharamsala—					
	Charri Camp	314	Three	O		1 G.R.C.
	Tand Camp	300	Three	O		
	Chetru Camp	118	Three	V		
20	Damdil—					
	Damdil Camp No 1	38	Two	O		Dett 1 Horse A Sqn.
	No. 2	27	Three	O		Dett FBG Signals.
	No. 3	34	One	O		Dett 87 IND M W/S.
21	Dehra Dun—					
	Segregation Camp	260	Three	V		
	IMA Hutted Camp	422	Three	O		I. M A. Dehra Dun.
	RAF Transit Camp	100	One	O		R. A. F. Transit Camp
	New Forest Camp	274	Two	O		Cadets from I M. A.
	Rest Camp	145	Three	V		
22	Dipatoli—					
	D-2 Camp	480	Two	O		HQ 5 Ind Div.
	D-10 Camp	415	Two	O		113 Ind Inf W/Shop Coy.
	D-10 Camp	239	One	O		106 Ind Inf W/Shop Coy.
23	Deolali—					
	No. 1 Wing Nasik Road Camp	1,250	Three	O		28 Fd. Regt. RA.
	No. 2 Ditto	1,250	Three	80% V		1 Gloucestors.
	No. 3 Ditto	1,250	Three	25% V		2 Koyli.
	No 4 Ditto	1,250	Three	O		HBTD Transit Wing.
	Cannaught Camp	500	Two	O		HBTD Officers Wing.
	Nicholson Camp	250	Two	O		NCO's Trg Bty.

Serial No.	Station and name of Camp	Present hutted capacity	Life in Years	Whether vacant or occupied	Present Occupants	Remarks
24	Jhelum—					
	Kala Camp	207	Two	50% V	Miscellaneous BT & IT.	
	Mona Camp	121	Two	50% V	No. 3 A. R. D	
25	Jubbulpore —					
	Staging Camp	100	Three	O	Ind. Stn. W/Shop	
26	Kohatoli—					
	K 3 Camp	951	Two	O	3/2 Punjab Regt.	
	K 8 Camp	400	Two	O	5 Ind. A/Tk Regt	
27	(a) Kolar—					
	Old Domestic Camp	1,075	Two	V	20 Bodies of Medical Unit attached to 3 & 8 Sqn. RAF only	
	(b) Kohat—					
	Rest Camp	140	Two	O	Transit personnel.	
28	Kharakwasla—					
	Camp 5	1,010	Two	O	2 Ind HAA Regt	
	Camp 8	720	Two	O	HQ 11 Agra, 1 AA Ops Rooms and 6 Ind. HAA.	
	Camp 14	100	Two	O	Fd. Sup. Depot. Sec.	
	South Camp	800	Two	10% V	2 Queens Regt.	
29	Kalyan—					
	Donbaik Camp	4,800	One	O	Troops in Transit	
	Kohima Camp	2,048	6 months	50% V	2 Mahrattas.	

	Imphal Camp	4,232	Two	80% V	Troops in Transit. 2 Border Regt.	
	Meiktila Camp	4,800	One	90% V	H & R Depot RIASC	Will close shortly
	Mandalay Camp	5,000	Two	60% V	GHQ (I) BBRC.	
30	Kamptee—					
	Staging Camp	730		V.		
	Transit Camp Nag	522		Not known		
31	Lahore—					
	Res Base Rest Camp	1,000	Two	V	Convoys etc	
	R. R. Camp	716		O	L. T.	
	Labour Camp	250	Two	O	Labourers.	
32	Lucknow—					
	Transit Camp Charbagh	304	One	O	Transit Personnel	
33	Malir—					
	North Malir—					
	A Camp Area	1078	Five	O	2 Ind. Div Regt RIASC 168 Coy (GT) RIASC 600 Lt. Jeep Coy	
	B „ „	623	Five	50% V	15 Para Bn.	
	N „ „					
	D „ „	968	Five	O		
	J „ „	1120	Five	25% V	3/16 Punjab Regt.	
	H „ „	624	Five	25% V	165 Coy (GT) RIASC.	
	P „ „	832	Five	15% V	2 Ind. Div Sigs	
					2 Para Sup Coy	
					5 Ind. Composite P L (RIASC)	

STARRED QUESTIONS AND ANSWERS

1201

Serial No.	Station and name of Camp	Present hutted capacity	Life in years	Whether vacant or Occupied	Present Occupants	Remarks
	Q Camp Area	180	Five	O	14 Bde and attached Sigs	
	R „ „	556	Five	50% V	90 Div W/Shop F. S D.	
	F „ „	563	Five	25% V	2 Ind. Div IEME Units.	
	G „ „	224	Five	O	30 Ind. Para Sqn RIE 2 Madras Regiment.	
	E „ „	351	Five	V		
	K „ „	947	Five	50% V	1 Kumaon Regt	
	L „ „	947	Five	V		
	M „ „	335	Five	V		
	C & O „	776	Five	50% V	2 Ind. Div. W/Shop.	
	S & T „	986	Five	50% V	1 F F R.	
	U & V „	1,188	Five	O	A T D 40 Fd. Pk. Sqn. 12 Para Sqn. RIE.	
34	Manmad—					
	Accn Area	600	Two	O	6 I.R.S.D.	
	Transit Camp	100	One	O	Transit Camp	
35	Pathankot—					
	Staging Camp	16	Two	O	Rest Camp.	
	Mamun Camp	374		V	IEME W/Shops (Civ.).	
36	Palampur—					
	Halleynagar Camp	4410	Six	O	7th G. R. Trg. Bn. 7th/10th G. R. R. C.	

37	Pulgaon—				
	Labour Camp	2000	Two	O	Labour Married Families CAD.
	Do.	2000	Two	O	1 Kumaon Regt.
	S. P. E. T. E. Camp	438	Three	O	S. P. E. T. E.
	RAF Pulgaon Camp	90	One	O	RAF Officers and BORs.
38	Rawalpindi—				
	Transit Camp	370	One	O	Transit Camp.
	Onjheri Camp	959	One	O	2nd Royal Lancers Ind. Para Regt.
	N. C. Leave Camp	308	Three	O	HQ Northern Command Officers and BORs.
	Domestic Camp	987	Three	O	RAF and RIAF Units.
39	Risalpur—				
	Domestic Camp	96		25% V.	Ditto.
40	Ramgarh—				
	Pow Camp 17—				
	Wing 1, 2 & 3	1800	One	70% V	1 Dogra.
	Wing 4	600	One	V	
	Wing 5	600	One	O	132 Ind. W/S Coy.
	Pow Camp 18—				
	Wings 1—5	3000	One	O	Ord. Depot.
	Camp 19—				
	Wing 1	600		80% V.	HQ 123 Ind. Inf. Bde.
	Wings 2, 3 & 4	1800		O	1/16 Punjab Regt. and 25 Dgns.
	Wing 5	600	..	O	R. S. D. Stores.

Serial No.	Station and name of Camp	Present hutted capacity	Life in Years	Whether vacant or Occupied	Present Occupants	Remarks
	Camp 20—					
	Wing 1	600		O	225 GT Coy RIASC	
	Wings 2—4	1800		90% V	R. Garh Rif Advance Party	
	Wing 5	600		V		
41	Ranchi—					
	Camp R 7	416		V		
	Namkum R 8	379		O	CMH Namkum	
	Ranchi R 11	500		80% V	E/EC/PL WAC(I)	
	R 13	210		80% O	63 L of C Pro Unit CMP (I)	
	R 14	635		V		
	R 15	300		O	Dtd Ranchi	
	R 20	96		O	17 A. M. Unit.	
	R 20	31		O	HQ M. C. Area.	
	Namkum R 23	150		O	41 Ind. Fd. Hygienic Sec	
	Ranchi R 26	243		O	" K Ind. L of C Sigs	
	Namkum R 28	62		O	G E. Namkum.	
	Koja Toli K 20	800		O	240 Coy RIASC (GT) 1077 Ind. Tpt. Coy W/Shop Sec. IEME (attached)	
42	RAF Station Ranchi—					
	Camp 1	480	Seven	90% V	BT HQ RAF Ranchi.	

	Camp 2	400	Seven	O	6 Sqn. RIAF.
	Camp 3	500	Seven	70% O	BT IT SHQ RAF Ranchi.
	Officers Camp	65	Seven	50% O	SHQ and 6 Sqt officers.
43	Ratu—				
	Camp P 3	423	Three	V	
	Camp P 5	126	Three	V	
	Camp P 6	423	Three	25% O	89 Ind. Inf. Bde
	Camp P 7	142	Three	O	Adm. Comd. Office and SSO
	Camp P 8	32	Three	V	
	Camp P 9	344	Three	O	160 Field Regt. RA
	Camp P 10	140	Three	O	Ditto
	Camp P 13	116	Three	O	Ditto
	Camp P 14	100	Three	33% V	26 Ind Div
	Camp P 20	56	Three	V	
	Camp P 21	40	Three	O	3rd Bn Bihar Regt
	Camp P 23	16	Three	V	
	Camp P 25	96	Three	V	
	Camp P 33	48	Three	O	319 Coy RIASC (GT)
	Camp P 37	112	Three	V	
44	Simla—				
	Durand Camp	180		80% V.	724 Ind. Sup. Sec

Serial No.	Station and Name of Camp	Present hutted capacity	Life in Years	Whether vacant or occupied	Present Occupants	Remarks
45	Shillong—					
	E-Falls Camp	958	Twenty	O	314 GT Coy	
	Spread-Eagle Falls	532	Twenty	O	"J" L of C Sigs.	
46	Yol—					
	Group 5 PW Camp—					
	25 PW BT & IT Camp	239	One	O	25 PW Camp.	
	26 Do.	180	One	V	Handed over to MES	
	27 Do.	209	One	V	Ditto	
	28 Do.	243	One	25% V.	28 Camp	
	RIASC Supply	95	One	O	Supply Depot.	
	MES Bks.	44	One	50% V	G E YOL.	
	1st Escort Camp	736	One	V	Handed over to MES	
	2nd Do.	882	One	Occupied by 118 IT only.	A PL 106 Coy. RIASC and overflow from W/Shops.	
	W/Shop Escort Camp	22	One	O	W/Shop Coy Staff	
	25 PW BT Camp	4047	One	V		
	26 Do.	3016	One	V		
	27 Do.	3000	One	V		
	28 PW Camp	3000	One	V		

Mr. C. P. Lawson: May I ask the Honourable Member whether the Pensions Department which has been moved into Delhi is accommodated in hutted quarters or in *pucca* quarters in Delhi now?

Mr. G. S. Bhalja: The Pension Branch which moved down from Simla last year has been accommodated in the Old Secretariat buildings

ACQUISITION BY GOVERNMENT OF DE-REQUISITIONED PROPERTY

516. ***Mr C. P Lawson:** Will the Secretary of the Defence Department be pleased to state

(a) whether any requisitioned property has been acquired by Government since the end of last Session,

(b) if so, what properties were so acquired and on what basis was the valuation made, and

(c) whether Government propose to acquire any further property under the Requisitioned Land (Continuance of Powers) Ordinance, 1946, before it lapses at the end of March, 1947?

Mr. G. S. Bhalja: (a) Orders to acquire requisitioned land have been passed in some cases

(b) General instructions were issued in November 1944, to Collectors to acquire in air-fields land under *pucca* runways, taxi tracks, etc An exhaustive list of properties thus acquired is not available at present Orders for the acquisition in principle of four properties have been issued by the Defence Department since the last session A statement of these cases is placed on the table of the House In all these cases, however, the basis of compensation will be that prescribed under the Law to be enacted in substitution of the Requisitioned Land (Continuance of Powers) Ordinance XIX of 1946, except where the terms of compensation have been finally agreed with the owner

(c) Yes, Sir Notices of acquisition will be issued in cases where Government have decided to acquire, but compensation will be assessed under the provisions of the law which is to replace the Ordinance

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List of lands acquired by the Defence Department since the Autumn Session, 1944

(1) Land occupied by the road to Ammunition Depot, Nowshera.

(2) Land for Bairani Headworks of Dehra Dun Water Supply

(3) Land for post-war installations at Dehu

(4) Land for Boys Bn , S & M Group, Roorkee.

Dr. Zia Uddin Ahmad: May I know whether Government would return to the owner land which is not required by the Army Department?

Mr. G. S. Bhalja: Of course the land which is not required by the Defence Department will be returned to the owner

Mr. C. P. Lawson: May I ask the Honourable Member whether the law that is to replace the existing Ordinance, to which he refers, is to contain some modification in the terms under which requisitioned property will be acquired?

Mr. G. S. Bhalja: Yes, Sir Part C of clause 5 of the Bill is to be omitted and executive instructions have been issued by Government that land should not be acquired under this particular part

Mr. C. P. Lawson: Am I to understand, Sir, that land acquired since the end of the last session will be valued under the new terms?

Mr. G. S. Bhalja: Exactly so, Sir

Sardar Mangal Singh: Will the Honourable Member give us an idea as to the extent of land occupied by the aerodromes which has been given away to the owners?

Mr. G. S. Bhalja: I regret I cannot give such detailed information without notice

Lala Deshbandhu Gupta: Is it a fact, Sir, that some property acquired for the purpose of the G. H. Q. has not been returned to the owner but has been given to somebody else?

Mr. G. S. Bhalja: If the Honourable Member gives me particulars of the property referred to, I shall certainly make enquiries into the matter

PROGRESS IN THE DE-REQUISITIONING OF PROPERTY

517. *Mr C. P. Lawson: Will the Secretary of the Defence Department be pleased to state

(a) what progress has been made in the de-requisitioning of property since the end of last Session,

(b) when all requisitioned property will be either returned to its owners or acquired by Government,

(c) what reduction has there been in Government annual expenditure on requisitioned property,

(d) whether any examination of requisitioned property has been carried out by bodies established for the purpose in various centres and, if so, what has been the result, and

(e) whether any non-officials are now being associated with such bodies?

Mr. G. S. Bhalja: (a) Number released since last session Buildings 401, Lands 456

(b) Unfortunately not, Sir Factors still limiting derequisition are the disposal of surplus stores, and the determination of the strength and location of the Post-War Armed Forces

(c) Reduction in annual expenditure from 1st January 1945 to 31st December 1946 is Buildings—Rs 2 crores 14 lakhs, Lands—Rs 1 crore 92 lakhs

(d) Yes, Sir, in the case of Bombay and Calcutta, Standing Quartering Boards have been in existence for approximately three years.

These Boards have effected a speeding up of derequisitioning It has now been decided to establish Advisory Boards at the following stations Bombay, Calcutta, Delhi, Dibrugarh and Chittagong

(e) Yes, Sir

Mr. C. P. Lawson: Can the Honourable Member inform the House the percentage of requisitioned property which has now been returned to its owners?

Mr. G. S Bhalja: I am afraid I have not got the information here, Sir

Mr. C. P. Lawson: May I also ask the Honourable Member as to what is the actual amount which is now payable as rent for requisitioned property, in total?

Mr. G. S. Bhalja: The annual rent payable on 31st December 1946 was For buildings—Rs 54 lakhs, and for lands—Rs 281 lakhs

Mr. C. P. Lawson: Does the term 'land' include certain immoveable property on that land?

Mr. G. S. Bhalja: I think, Sir, land includes the structures which are created on that land

Mr. C. P. Lawson: One more question Will the Honourable Member be kind enough to indicate at some future date the percentage of derequisitioning that has taken place? On previous occasions the figure has been given as a percentage and it will assist the House if the percentage is given this time also.

Mr. G. S. Bhalja: I shall do so with great pleasure if the Honourable Member puts down a question to that effect.

Sardar Mangal Singh: With reference to the Honourable Member's reply to part (e) of the question, may I know how the non-officials are selected—whether they are selected by the Provincial Governments or by the Defence Department?

Mr. G. S. Bhalja: For the Bombay and Calcutta Boards, two Honourable Members from this House and one Honourable Member from the Council of State have been appointed on the Boards In addition to these Honourable Members, a non-official nominated by the Provincial Government also sits on each Board

Dr. Zia Uddin Ahmad. May I know whether the amount received for the derequisitioned land is credited in the accounts of the Government of India, and if so whether it is credited to General Revenues or to the accounts of the Defence Department?

Mr. G. S. Bhalja: This is a matter concerning accounting I am afraid I must ask for notice of that question

Dr Zia Uddin Ahmad: Is it entered somewhere?

Mr. G. S. Bhalja. Of course it is

Dr. Zia Uddin Ahmad: Under Defence Department or General Revenues?

Mr G. S Bhalja: It is credited to the Government of India, I cannot say under which head

Lala Deshbandhu Gupta: Is it a fact that no proposals for derequisitioning the property have so far been placed before the Derequisitioning Board in Delhi?

Mr. G. S. Bhalja: The other day I stated on the floor of this House that the President of the Delhi Requisitioning Board is the Honourable the Secretary of the Works, Mines and Power Department, and I suggest that the Honourable Member should put his question to him

QUALIFICATIONS FOR THE POSTS OF HINDUSTANI TRANSLATORS AND ANNOUNCERS IN THE DEPARTMENT OF INFORMATION AND BROADCASTING

516. ***Pandit Sri Krishna Dutt Paliwal:** Will the Honourable Member for Information and Broadcasting please state

(a) whether Government propose to make the proficiency examination in Hindi and Urdu or some other equivalent examination compulsory for qualifying for the posts of Hindustani translators and announcers in that Department, and

(b) whether the members of the Selection Board themselves possess good knowledge of Hindi and Urdu, and, if so, what are their qualifications as regards both these languages?

The Honourable Sardar Vallabhbhai Patel. (a) The language policy of All India Radio is under consideration of Government and an announcement will be made shortly The point raised by the Honourable Member arises in connection with one of the recommendations under consideration

(b) There is no such Selection Board and the rest of the question does not, therefore, arise

Dr. Zia Uddin Ahmad: May I know whether the Honourable Member has consulted the Standing Committee of the House connected with the Radio Department?

The Honourable Sardar Vallabhbhai Patel: The proposals have been circulated to the Provinces for their opinion

Dr. Zia Uddin Ahmad: Not to the Standing Committee of the House appointed for this purpose? May I ask whether the Honourable Member consults the Committee of the House?

The Honourable Sardar Vallabhbhai Patel: A Standing Committee was appointed and that was consulted Their opinions were received and on that,

draft proposals were framed They have been circulated to the provinces for opinion

Haji Abdus Sattar Haji Ishaq Seth: The question is whether the Honourable Member will consult the Standing Advisory Committee of this House before arriving at a final decision?

The Honourable Sardar Vallabhbhai Patel: I do not think so The proposals have been sent to all the provinces for consideration now

Haji Abdus Sattar Haji Ishaq Seth: When the opinions of the provinces have been received and before making final decision, will the Honourable Member consult the Standing Advisory Committee of this House?

The Honourable Sardar Vallabhbhai Patel There is no such intention at present

Mr Ahmed E. H Jaffer: May I know the reasons why there is no such intention? What is the object of having this Committee of the House?

Mr. President: The Honourable Member is entering into an argument

Mr. Ahmed E. H. Jaffer May I know the reasons why the Honourable Member does not propose to consult this Committee?

The Honourable Sardar Vallabhbhai Patel: I do not think that questions of details are placed before the Committee for consideration

Dr. Zia Uddin Ahmad: The Honourable Member has taken the Standing Committee of the House into confidence in connection with the proposed legislation, which is very highly appreciated Will he not do the same in connection with this question?

The Honourable Sardar Vallabhbhai Patel: I cannot follow the question

PLACE OF HINDI AND URDU IN ALL-INDIA RADIO

519 ***Pandit Sri Krishna Dutt Paliwal.** Will the Honourable Member for Information and Broadcasting please state

(a) whether Government propose to treat Hindi and Urdu on the same footing as other Indian languages in the All India Radio, and

(b) whether Government propose to assign these languages their rightful place according to the number of people speaking them?

The Honourable Sardar Vallabhbhai Patel: (a) and (b) As I have already said the language policy of All India Radio is under consideration of Government and an announcement will be made shortly

Sardar Mangal Singh: With reference to part (a) may I know whether the distinction between Urdu and Hindi will not be recognised but instead a common language will be evolved and both of them will be treated as one?

The Honourable Sardar Vallabhbhai Patel: I cannot give any information because the proposals are under the consideration of Government

SCARCITY OF DRINKING WATER IN VILLAGES IN DELHI AND AJMER-MERWARA

520. ***Pandit Sri Krishna Dutt Paliwal** Will the Secretary of the Health Department please state

(a) whether Government are aware that there is great scarcity of drinking water in hundreds of villages in the Provinces of Delhi and Ajmer-Merwara, specially for the scheduled castes people, and

(b) the steps Government have taken or propose to take to remove this hardship?

Mr. S. H. Y. Oulsnam: (a) It is reported that there is no scarcity of drinking water in the villages in Ajmer-Merwara In the rural areas of Delhi there is a general scarcity of drinking water but information regarding any special difficulties of the scheduled castes is not available

(b) A scheme for the improvement of existing wells and the sinking of new wells in the rural areas of Delhi Province has been sanctioned It is proposed to spend rupees one lakh during 1947-48 on 200 wells which will be open to all villagers irrespective of their caste or creed

Lala Deshbandhu Gupta: May I know whether the scheme referred to is part of the post-war reconstruction scheme prepared for Delhi?

Mr. S. H. Y. Oulsnam: Yes, Sir.

Lala Deshbandhu Gupta: May I know if the post-war reconstruction plan is ready and will be published for public information?

Mr. S. H. Y. Oulsnam: I do not think that arises out of the question but various schemes have been sanctioned and they will be made public in due course

Lala Deshbandhu Gupta: Is the Honourable Member aware of the strong feeling in Delhi that the post-war reconstruction scheme prepared for Delhi has not been published so far and public opinion has not been invited on it?

Mr S H. Y. Oulsnam: I think many of the post-war development schemes have been made public by the Chief Commissioner

Pandit Sri Krishna Dutt Paliwal: What is the source of the report received by the Government that there is no scarcity of water in Ajmer-Merwara?

Mr S. H. Y. Oulsnam: The Chief Commissioner

Lala Deshbandhu Gupta: What is the reason for not publishing the whole scheme of post-war reconstruction?

Mr S H. Y. Oulsnam: The reason is that it is not yet quite complete

Lala Deshbandhu Gupta: May I know how long will it take to be completed?

Mr. S H. Y. Oulsnam: I cannot say

521. *[Withdrawn]

REMOVAL OF RESTRICTIONS OF PASSPORTS AND VISAS

522. *Mr **Ahmed E. H. Jaffer:** Will the Honourable the Home Member be pleased to state

(a) whether Government propose to remove the formality of passports and visas between India, Iran, China, Iraq, Afghanistan, Burma and countries in the Middle East, if not, why not,

(b) whether Government are aware that Great Britain, France and other countries are seriously considering the advisability of removing restrictions on travel between those countries and Holland, Belgium, Switzerland, U S A , etc , and

(c) whether Government propose to make a statement on this subject?

The Honourable Sardar Vallabhbhai Patel: (a) and (c) The whole question of passports and frontier formalities will shortly be considered by a conference of experts due to be held in Geneva in March next, under the auspices of the United Nations Economic and Social Council The Government of India will review their policy in the matter, in the light of the recommendations of that conference

(b) Government have no information beyond the report which appeared in the Press that the requirement of visas for travel between the United Kingdom and France has been abolished

CONVICTION OF JAPANESE FOR CRIMES AGINST INDIAN NATIONALS

523. *Mr. **Ahmed E. H. Jaffer:** (a) Will the Secretary of the Defence Department please lay on the table of the House a statement giving the number of Japanese tried and convicted to date for crimes and atrocities against Indian Nationals in various parts during the war and the nature of those atrocities?

(b) How many Japanese are at present under arrest awaiting trial for crimes and atrocities against Indian Nationals during the War?

Mr. G. S. Bhalja: (a) 356

Details of the particular crimes committed by these persons are not readily available It can however be stated generally that they were found guilty of violation of the laws and usages of war

(b) Thirty-eight

LIMITATION ON NOTE CIRCULATION

524. *Mr. Ahmed E. H. Jaffer: (a) Will the Honourable the Finance Member please state the present extent of note circulation?

(b) What is the present rate of increase of note circulation per annum since 1940 to date?

(c) Do Government contemplate to limit to some extent the note circulation?

(d) Have Government received recently a memorandum by Bankers in this behalf?

The Honourable Mr Liaquat Ali Khan: (a) Total notes issued as on the 14th February, 1947, amounted to Rs 12,57,22,81,000

(b) The rate of increase in the average note circulation per annum since 1940 to date, expressed as a percentage of the preceding year's average circulation figure, is as follows —

1940	+21 3%
1941	+14 5%
1942	+71 3%
1943	+60 6%
1944	+29%
1945	+21 9%
1946	+8 3%

(c) No, Sir

(d) No, Sir

Dr. Zia Uddin Ahmad: May I know whether one rupee notes are also included in these figures?

The Honourable Mr. Liaquat Ali Khan: No, Sir

COMPLAINTS AGAINST BROADCAST OF NEWS AND VIEWS OF INDIAN AFFAIRS BY ALL-INDIA RADIO

525. *Mr Ahmed E. H Jaffer: Will the Honourable Member for Information and Broadcasting be pleased to state

(a) whether Government have received any complaints recently in connection with the manner in which news and views of Indian affairs are transmitted abroad by the All-India Radio, and

(b) whether Government are aware of the general discontent in the country over the way in which news of a political complexion is broadcast abroad?

The Honourable Sardar Vallabhbhai Patel: (a) and (b) No

Mr Ahmed E H Jaffer: May I ask whether the Government will consider the question of creating an autonomous corporation on the lines of the B B C. so that the All India Radio can be run independently and without interference?

The Honourable Sardar Vallabhbhai Patel: There is no such proposal under the consideration of Government at present

Sjt. N. V. Gadgil: Is it a fact that even the B. B C is accused of partisanship?

The Honourable Sardar Vallabhbhai Patel: All broadcasting stations are always criticised by one party or the other.

Dr. Zia Uddin Ahmad: With reference to part (a), the Honourable Member said 'No'. Mr Jaffer is himself a complainant.

The Honourable Sardar Vallabhbhai Patel: I have had no specific complaints from Mr. Jaffer.

Mr. Ahmed E. H. Jaffer: One of the members of the Standing Committee of this department submitted certain complaints to the Honourable Member's department for enquiry May I know what has happend to that?

The Honourable Sardar Vallabhbhai Patel: I have received no such complaints

REQUISITIONING BY THE ARMY OF BUILDINGS AND BUNGALOWS IN BOMBAY CITY

526. ***Mr Ahmed E. H. Jaffer:** (a) Will the Secretary of the Defence Department be pleased to state the number of buildings, bungalows and flats requisitioned by the Army in the city of Bombay during the period of the war?

(b) How many of these have been derequisitioned since the termination of the hostilities? What are the names of properties so derequisitioned and where are they situated?

(c) How many of them are going to be de requisitioned in the quarter ending March 1947 and the second quarter ending June 1947 and what are their names and where are they situated?

Mr. G. S. Bhalja: (a) 265

(b) 206 Details regarding the situation and names of these properties are being collected and will be laid on the table of the House in due course

(c) It is anticipated that twelve properties will be released during the quarter ending March 1947 and nine during the quarter ending June 1947 Details regarding these properties are being obtained and will be placed on the table of the House in due course

Mr. Ahmed E. H. Jaffer: Will the property which is derequisitioned be given back to its owners or those tenants who were formerly in occupation of them when they were requisitioned by Government?

Mr. G. S. Bhalja: Properties which are derequisitioned by the Defence Department will be returned to the original persons from whom they were taken possession of

EMPLOYMENT OF OFFICERS OF ALL-INDIA ADMINISTRATIVE SERVICES BY PROVINCES

527. ***Sardar Mangal Singh:** Will the Honourable the Home Member please state

(a) what provinces have expressed their willingness to participate in the employment of the officer of the All India Administrative Service recruited and trained by the Central Government, and

(b) whether it is open to the participating provinces to opt out of the arrangement whenever they feel like doing so?

The Honourable Sardar Vallabhbhai Patel: (a) All Provinces except Bengal, the Punjab and Sind have agreed to participate in an All-India Administrative Service

(b) The arrangement has been arrived at by mutual agreement and can be terminated in the same manner

Sardar Mangal Singh: May I know whether the Indian States will also participate in this arrangement?

The Honourable Sardar Vallabhbhai Patel: No, Sir

Sardar Mangal Singh: May I know whether the inhabitants of the States will be eligible for appointment to these posts?

The Honourable Sardar Vallabhbhai Patel: I cannot say at present It will depend upon the constitution which will be framed by the Constituent Assembly.

INTRODUCTION OF VERNACULARS AS MEDIUM OF INSTRUCTION IN DEGREE COLLEGES

528. *Mr. Madandhari Singh: Will the Honourable Member for Education be pleased to state

(a) the names of Universities where Vernaculars have been introduced as medium of instruction in Degree College,

(b) the names of Universities who are contemplating to introduce vernaculars as medium of instruction in Degree College, and

(c) whether there is any University which has not yet done any thing to introduce vernaculars as the medium of instruction in Degree Colleges, if so, the reasons therefor?

آنریبل مولانا ابوالکلام آزاد (اے)—(سی) :— عثمانیہ یونیورسٹی حیدرآباد (دکن) اردو زبان کے ذریعہ تعلیم دے رہی ہے- دوسری یونیورسٹیوں کے بارے میں ابھی تک گورنمنٹ آف انڈیا کو کوئی خبر نہیں ملی ہے لیکن اخباروں میں اس طرح کی رپورٹیں آ چکی ہیں کہ جن سے چند یونیورسٹیوں کے فیصلے معلوم ہوئے ہیں- چنانچہ لکھنؤ یونیورسٹی کی نسبت بیان کیا گیا ہے- کہ اُس نے جولائی سنہ ۱۹۴۶ع سے اردو اور ہندی کو بی - اے - بی - ایس - سی - اور ایل - ایل - بی - کلاسز میں میڈیم آف انسٹرکشن تسلیم کر لیا ہے — ناگپور یونیورسٹی کی نسبت بیان کیا گیا ہے کہ اُس نے صوبے میں ہندوستانی زبانوں کو ناگپور اور وردھ کے کالجوں میں میڈیم آف انسٹرکشن اختیار کرلیا ہے - پٹنہ یونیورسٹی کی نسبت بیان کیا گیا ہے کہ وہ جولائی سنہ ۱۹۴۷ع سے آرٹس سائنس اور کامرس کی انٹرمیڈیٹ اور بیچلر کلاسز میں نان‌لینگویج سبجکٹس (Nonlanguage Subjects) کے لئے ہندوستانی زبان کو ذریعۂ تعلیم اختیار کرنے والی ہے- اسی طرح ناگپور یونیورسٹی کا اُسی تاریخ سے ہندی اور اردو زبانوں کو اختیار کرنیکا فیصلہ اخباروں میں آ چکا ہے- یہ بات بھی بیان کی گئی ہے کہ بنگال گورنمنٹ آجکل اس معاملے پر سوچ وچار کر رہی ہے اور اُسنے کلکتہ یونیورسٹی کی رائے مانگی ہے- ہندو یونیورسٹی بنارس کی نسبت معلوم ہوا ہے کہ اُسنے پندرہ برس کا نقشہ بنا لیا ہے کہ ہندی زبان کو بطور میڈیم آف انسٹرکشن اختیار کیا جائے- جو بات اس سوال میں اٹھائی گئی ہے اسکی اہمیت گورنمنٹ آف انڈیا پورے طور پر محسوس کرتی ہے اور میں اس چیز پر غور کر رہا ہوں کہ یونیورسٹیوں اور صوبائی نمائندوں کی ایک کانفرنس جہاں تک جلدی ممکن ہو بلائی جائے تاکہ اس معاملے کے تمام پہلوؤں کی جانچ پڑتال کی جائے-

The Honourable Maulana Abul Kalam Azad (a) to (c) The Osmania University, Hyderabad (Deccan) has adopted Urdu as the medium of instruction The Government of India have no official information in respect of other Indian Universities but it has been reported that the Lucknow University has introduced Hindi and Urdu as medium of instruction for B A , B Sc and LL B , Classes from July 1946 and the Nagpur University has permitted from 1945 the introduction of Indian Languages in the Central Provinces as media of instruction in the Colleges in Nagpore and Wardha It is also reported that Patna University has decided to introduce Hindustani as medium of instruction

for non-language subjects at Intermediate and Bachelor stages of Faculty of Arts, Science and Commerce from July 1947 and Nagpur University has decided to introduce Hindi, Urdu and Marathi as medium of instruction from July 1947 It is also reported that the Bengal Government is considering the advisability of introducing the mother tongue as the medium of instruction in the University, and the Calcutta University has been requested by the Government to communicate their views on the subject Benares Hindu University has proposed a 15-year plan for introducing Hindi as the medium of instruction The Government of India have been fully alive to the importance of the issue raised in the question and I propose to summon at an early date a Conference of representatives of Universities and the Provincial Governments to survey the whole position

لالہ دیش بندھو گپتا : کیا محترم ممبر صاحب یہ بتانے کی تکلیف گوارا فرمائینگے کہ جہاں تک دہلی یونیورسٹی کا تعلق ہے کیا اُسنے ہندوستانی کو ذریعۂ تعلیم بنانے کے اوپر غور کیا ہے ؟

Lala Deshbandhu Gupta: Will the Honourable Member please state, so far as the Delhi University is concerned, whether it has taken into consideration the question of making Hindustani as the medium of education?

آنریبل مولانا ابوالکلام آزاد : اس کی کوئی اطلاع گورنمنٹ کے پاس نہیں ہے۔

The Honourable Maulana Abul Kalam Azad: The Government has no information about it

لالہ دیش بندھو گپتا : کیا آنریبل ممبر صاحب اس سلسلے میں کچھہ تحریک فرمائینگے ؟

Lala Deshbandhu Gupta: Will the Honourable Member make a move in this connection?

آنریبل مولانا ابوالکلام آزاد : جیسا کہ میں نے آنریبل ممبر کے گوش گزار کیا ہے کہ یہ چیز زیر غور ہے کہ ایک کانفرنس اس سلسلے میں بلائی جائے۔

The Honourable Maulana Abul Kalam Azad: As I have already told the Honourable Member that it is under consideration to call a conference in this connection

Dr. Zia Uddin Ahmad: Is the Honourable Member aware of the fact that the United Provinces Government invited a Committee to consider this question but that Committee never met and it was postponed at the last minute?

آنریبل مولانا ابوالکلام آزاد : لیکن بہر حال یہ سوال مجھہ سے نہیں ہونا چاہئے -

The Honourable Maulana Abul Kalam Azad: In any case the question should not be asked from me

CONDITIONS OF SERVICE FOR ENGINEERS IN ALL-INDIA RADIO AND OTHER DEPARTMENTS

529. *Sri N. Narayanamurthi: Will the Honourable Member for Information and Broadcasting be pleased to state

(a) whether Government are aware of the fact that there is difference between the conditions of service for Engineers in All-India Radio and in other allied Departments employing engineers with similar qualifications,

(b) whether Government are further aware that the Engineers of All India Radio are not allowed to leave the Department and go to some other Department on better prospects and remuneration,

(c) the number of Engineers from All India Radio who have asked for permission to apply for jobs outside after the end of the war,

(d) the number of employees who have been allowed to go outside on such jobs, and

(e) in view of the dissatisfaction prevalent among the Engineering staff of the All India Radio, what steps Government of India propose to take to bring the service conditions of this section at par with those of the other allied Departments?

The Honourable Sardar Vallabhbhai Patel. (a) There are no allied departments of the All India Radio and in the absence of any specific mention of the Departments the Honourable Member has in mind, I regret I am unable to furnish the information asked for

(b), (c) and (d) Restrictions on the transfer of services from one department to another were placed during the war but 156 members of the Engineering staff of the All-India Radio have since applied for posts in other offices and these applications have been forwarded The question of placing restrictions on their transfer to other offices has not arisen as none has been selected so far for appointment When such question does arise, each application will be considered on its merits in the light of departmental rules

(e) As the Honourable Member is aware, the whole question of conditions of service of Central Government employees is under the consideration of the Pay Commission and their recommendations must be awaited

Shri D P Karmarkar Is it not a fact that in the case of those engineers who applied for a transfer to other Departments the Government of India have intimated to the Federal Public Service Commission that only a few limited numbers will be available and even they will be selected in some other way?

The Honourable Sardar Vallabhbhai Patel I have no information on the subject but I will make an inquiry

Sri N. Narayanamurthi Will the Honourable Member make the salary and pay of the engineers employed in the All-India Radio stand at par with the pay of the engineers of similar qualifications employed in allied departments, like the Civil Aviation Directorate since that is the reason why as many as 156 engineers have applied for other departments? Will the Honourable Member be pleased to see that a scale of pay is fixed for the employees of the All-India Radio so as to bring it uniformly on par with the pay of similar Engineers in an allied department like the Civil Aviation Directorate?

The Honourable Sardar Vallabhbhai Patel. As I have said, when the Pay Commission's report is received by us, efforts will be made to equalise the conditions

Shri Mohan Lal Saksena Will the Honourable Member consider the fact that if any restrictions have been placed on the applications which have been forwarded to the Federal Public Service Commission they will be removed? I may tell him that the Assistant Director, while forwarding the applications, has suggested that not more than five should be selected

The Honourable Sardar Vallabhbhai Patel: I have already said that all the 156 applications have been forwarded So far no application has been sanctioned If any application is sanctioned, the case will be considered on merits.

Shri Mohan Lal Saksena: But the Assistant Director has informed the Federal Public Service Commission that not more than five men should be selected because the Department cannot spare more than five That clause should be withdrawn, otherwise they will not have a fair chance

The Honourable Sardar Vallabhbhai Patel: I have no knowledge of the circular, but I will make inquiries

Sjt. N. V. Gadgil: Is it not in the highest interests of the Government that there should be a system of transfer from one Department to another?

The Honourable Sardar Vallabhbhai Patel: All members are free to go to any department they like

Sir Cowasjee Jehangir Is there any difficulty in the recruitment of these engineers for this particular Department?

The Honourable Sardar Vallabhbhai Patel: No, Sir

Shri D. P. Karmarkar: With reference to the reply to part (d) of the question, may I ask whether it is proposed to create better prospects for these engineers by making it possible for them to be promoted as Station Directors also if they have the necessary qualification for that post?

The Honourable Sardar Vallabhbhai Patel: As I said, all these questions can be considered after the Pay Commission's report has been received and their recommendations are considered

INDIAN OFFICERS IN ARMED FORCES

†530. ***Mr. Ahmed E H. Jaffer:** (a) Will the Secretary of the Defence Department please state what is the total number of officers (Indians) in the Armed Forces in the following categories?

(i) Royal Indian Navy—

British	Officers	Ratings
Indians—		
Hindus	Officers	Ratings
Muslims	Officers	Ratings
Sikhs	Officers	Ratings
Other classes	Officers	Ratings

(b) How many hold senior ranks amongst the Indians in the following communities Muslims, Hindus, Sikhs, and other classes?

(c) What steps have been taken to encourage more "Muslims" to come forward to join the Royal Indian Navy?

Mr. G. S. Bhalja: (a) and (b) A statement is placed on the table of the House

(c) The recruitment to the R I N is on an All-India and non communal basis and, therefore, no special steps are taken to encourage any particular community to come forward to join the R I N in larger numbers

Statement

(a) List of British and Indian personnel in the R. I N—

	Officers	Ratings
British—		
R. I N regular	165	Nil
R. I. N reserve	122	Nil
R. N. on loan to R. I. N.	28	8

†Answer to this question laid on the table, the questioner having exhausted his quota.

Indian—	Officers	Ratings
R. I. N. regular	364	10,412
R. I. N. reserves	510	
Hindus	296	3,833
Muslim	179	4,349
Sikh	39	175
Others	360	2,055
Total	874	10,412

(b) Breakdown by communities of officers holding senior ranks in the R. I. N —

	Number of officers holding the rank of Lt.-Commander or above
Hindu	31
Muslim	10
Sikh	6
Others	26
Total	73

ANCIENT MONUMENTS AND TEMPLES AT AIHOLI AND PATTADKAL IN BIJAPUR DISTRICT

531. *Shri D P. Karmarkar: Will the Honourable Member for Education be pleased to state

(a) the number of ancient temples at (i) Aiholi, and (ii) Pattadkal in the Bijapur District?

(b) whether Government are aware that these monuments are of importance from the point of view of History and Art,

(c) whether Government are aware that these temples are not well looked after by the Archæological Department,

(d) the number of care-takers on the spot in charge of these monuments,

(e) whether it is a fact that there are no good roads from the nearest Railway Station to these places, and

(f) the steps Government propose to take to keep these monuments in order and make them easily accessible to the visiting public?

آنریبل مولانا ابوالکلام آزاد : (اے) اہولی کے پرانے مندروں کی گنتی سات ہے اور پٹاڈکل کی دس -

(بی) ہاں-

(سی) نہیں Archæological ڈیپارٹمنٹ کی ضرورتوں کو سامنے رکھتے ہوئے جس طرح کی مرمت کی ضرورت ہوتی ہے وہ کیجارہی ہے-

(قی) اھولی کی دیکھ بھال کرنے کے لئے دو آدمی رکھے گئے ھیں اور پٹادکل کے لئے ایک۔

(لی) سڑکوں کو درست رکھنے کی پراونشیل گورنمینٹ کی ذمہ داری ھے - ان مندروں کو پہنچنے کے لئے جن راستوں سے جانا پڑتا ھے وہ پرائیوٹ مالکوں کی زمین پر ھیں سرکاری زمین پر نہیں -

(ایف) ان دو پرانی یادگاروں کی بہت اچھی طرح مرمت کی جارھی ھے لیکن وھاں تک پہونچنے کے راستے اور زیادہ اچھی حالت میں ھوجائیں تو یہ تب ھی ھوسکتا ھے جبکہ پرائیویٹ زمینوں کا ایک بڑا حصہ قبضہ میں لیا جائے -

The Honourable Maulana Abul Kalam Azad: (a) The number of ancient temples at (i) Aiholi, is sixty and at (ii) Pattadkal, ten

(b) Yes

(c) No Such repairs as are necessary in the light of archaeological requirements, are carried out to these temples from time to time

(d) Two care-takers are employed at Aiholi and one at Pattadkal

(e) Maintenance of roads is the responsibility of the Provincial Government The approach paths to these monuments belong to private owners of the land on which they are situated

(f) The monuments are being kept in good repair but to make them more accessible than they are at present, would require acquisition of vast areas of private land

Shri D. P. Karmarkar: With reference to answer to part (f) of the question, may I ask whether the Honourable Member is aware that in spite of the care that has been taken or perhaps on account of the care that has been taken many of the temples are dilapidating fastly?

آنریبل مولانا ابوالکلام آزاد : گورنمنٹ کی اطلاع میں ایسی حالت نہیں ھے - بہر حال اس کی تحقیقات کی جائیگی -

The Honourable Maulana Abul Kalam Azad: Government is not aware of such a state In any case it will be investigated

Shri D P. Karmarkar: Is the Honourable Member aware that these monuments belong to a type of architecture which is peculiar to the tract and therefore they require special attention at the hands of the Archaeological Department?

آنریبل مولانا ابوالکلام آزاد : گورنمنٹ اس پر غور کریگی -

The Honourable Maulana Abul Kalam Azad: The Government will consider it

Mr. Ahmed E. H. Jaffer: Is the Honourable Member aware that in this very district of Bijapur and particularly in Bijapur City itself there are several mosques and Idgahs where there are latrines near about with the result that

they cause a great nuisance to those who go there to pray? Will he take the trouble to see that these latrines are removed without delay?

آنریبل مولانا ابوالکلام آزاد : اس بارے میں تحقیقات کی جائیگی -

The Honourable Maulana Abul Kalam Azad: Investigations will be instituted in this connection

OMISSION OF NEWS BY THE ALL-INDIA RADIO OF MR SIDDIQ ALI KHAN'S ADJOURNMENT MOTION IN THE ASSEMBLY *re* IMPOSITION OF FINES, ETC, ON NANDIHAR TRIBES.

532 ***Syed Ghulam Bhik Nairang** Will the Honourable Member for Information and Broadcasting please state

(a) why the All India Radio omitted to mention the adjournment motion tabled by Mr Siddiq Ali Khan about the imposition of punitive fine and the barbarous practice of taking hostages from the Nandhari tribe, in the night Bulletin of 3rd February 1947 when the full summary of the day's proceedings of the Central Legislative Assembly was broadcast, and

(b) why the All India Radio in the above mentioned bulletin stated that all the adjournment motions were either withdrawn or ruled out, and whether this summary of the day's proceedings was based on news Agency reports?

The Honourable Sardar Vallabhbhai Patel (a) The adjournment motion was included in the 1 30 news bulletin on the 3rd February, 1947 It was not considered necessary to repeat it in the evening bulletins

(b) This was due to an oversight in summarising the proceedings The proceedings were based on the reports of the All India Radio's Representative in the Press Gallery of the Legislative Assembly

Mr Ahmed E H Jaffer: Is it not that 9 p m broadcast is more important than 1-30 p m news broadcast?

The Honourable Sardar Vallabhbhai Patel As the Motion for Adjournment came before one o clock, it was broadcast, at the first available opportunity

Sardar Mangal Singh How does the All India Radio get its news? Is there any arrangement with A P I or any other news agency?

The Honourable Sardar Vallabhbhai Patel: It does not take from A P I alone, it gets news from all other services also

Sjt N V. Gadgil Will it take from Members?

Haji Abdus Sattar Haji Ishaq Seth: With regard to part (a) who decides whether a news item is important or not? I heard yesterday a news item being repeated four times, and every time the news was repeated in the same terms What is the criterion on which the importance of any news is decided and who decides the same?

The Honourable Sardar Vallabhbhai Patel It is done by the Director

Mr. Ahmed E H Jaffer: Does A I R rely only on news agencies for its news? Will it take news from any Honourable Member of this House or any other source? If it does not take what are the reasons?

The Honourable Sardar Vallabhbhai Patel: The All India Radio generally receives news from news agencies or from the Reporters of the All India Radio in the Press gallery

Mr. Ahmed E. H. Jaffer: I am not referring to the news contained in the proceedings of this House Suppose there is an important item of news

in the possession of an Honourable Member of this House and he wants it to be broadcast, will A I R accept such news coming from that Member?

The Honourable Sardar Vallabhbhai Patel: No, Sir

VAGRANT ASYLUM FOR CENTRALLY ADMINISTERED AREAS

533. *Mr. G. B. Dani: Will the Secretary of the Health Department be pleased to state.

(a) whether Government propose to consider the advisability of starting a vagrant asylum where street vagrants from the Centrally Administered Areas can be lodged and given vocational training in cottage industries, to enable them to earn their own livelihood and to prevent contagious diseases from spreading,

(b) the number of beggars in the centrally administered areas,

(c) whether Government propose to introduce any legislation to stop begging?

Mr. S. H. Y. Oulsnam: (a) As an experiment a Poor House is being established in Delhi with the object of reclaiming beggars

(b) The number of beggars in Delhi is estimated to be about 1,400 Information regarding other centrally administered areas is not available

(c) As far as the Governors' Provinces are concerned, the subject is for the Provincial Governments to deal with As regards the centrally administered areas begging is already an offence under the municipal law and the Government have no further legislation under consideration

Shri Mohanlal Saksena: For how many inmates provision is being made in the Poor House?

Mr. S. H. Y. Oulsnam: For three hundred

Lala Deshbandhu Gupta: When will this Poor House begin to function?

Mr S. H. Y. Oulsnam: The building is almost complete Owing to difficulty in securing water supply and electricity connections and in making sanitary arrangements, it will not be possible to open it for another two months

Shri Mohan Lal Saksena: What is the procedure in selecting the beggars, because 300 beggars have to be selected out of 1,400?

Mr S. H Y. Oulsnam The procedure will be that when a person is prosecuted, the Magistrate will decide whether he should be remanded to the Poor House

Sri V. Gangaraju: Will there be any parity in the selection of beggars?

(No answer)

ENGLISH AND AMERICAN HOSPITALS IN INDIA

534. *Mr. Sasanka Sekhar Sanyal: Will the Secretary of the Health Department be pleased to state

(a) the number of American, English and other hospitals that came into existence in India during the war,

(b) the number and nature of those that are still existing,

(c) the number and nature of those that have been taken over by either the Central or the Provincial Governments; and

(d) what has happened to the rest?

Mr. S. H. Y. Oulsnam: (a) to (d) A statement is laid on the table of the House.

Statement

(a) Number of hospitals which came into existence in India during the war—

(i) American	14
(ii) R A F	4
(iii) Hospitals for British and Indian troops	90
(iv) Naval	1
(v) Temporary Field hospitals accommodated in tents and liable to be moved ex India	116

(b) Number and nature of those hospitals still in existence in India—

(i) R. A F	2
(ii) Hospitals for British and Indian troops	27

(c) Number and nature of those that have been or are being taken over by either Central or Provincial Governments, etc.—

(i) American	13
(ii) Hospital for British and Indian troops	11

(d) The remaining hospitals have been disposed of as follows

(i) Some buildings have reverted to previous ownership *e g* schools, hospitals and other institutions

(ii) Some have been utilised by the Defence Department for other purposes

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REQUISITIONING OF LAND FOR CENTRAL WIRELESS STATION NEAR GURGAON FOR THE VILLAGES OF NAHA PUR AND ISLAMPUR

535 *Pandit **Mukut Bihari Lal Bhargava** (on behalf of **Pundit Thakur Das Bhargava**) (a) Will the Secretary of the Defence Department please state if it is a fact that land has been acquired or requisitioned for the Central Wireless Station near the Gurgaon Town from the areas of village Nahaspur and Islampur?

(b) If so, how much land has been taken, when was it taken and on what conditions?

(c) Are Government aware that the land so taken belonged to small farmers, was well irrigated and extremely fertile and that production was the only source of sustenance for the owners thereof?

(d) Are Government aware that the owners of these lands were assured that a considerable part of their land would be returned to them after the preliminary lay out was completed and made available to them for cultivation and that in lieu of the balance equally good and irrigated land would be given to them in exchange?

(e) Are Government aware that the Punjab Government agreed to give land from Jhaffar Bir in the Rohtak District but ultimately they backed out?

(f) Are Government aware that the owners of the lands acquired have been petitioning to the Government of India and the Government of the Punjab since 1943 and that no heed has been paid to their petitions?

(g) Do Government propose to consider the advisability of arranging the grant of lands to these cultivators near their villages from the Government agricultural farm in Gurgaon or from Jhaffar Bir as already proposed or from some other colony land in the Punjab?

Mr G S Bhalja (a) The land was requisitioned

(b) 806 acres of land were requisitioned Report of the date of requisition has not been received Rs 36 280 are paid yearly as compensation for the land and all the land not actually in use is given to the owners to cultivate

(c) Government has no information to this effect

(d) No Sir

(e) No, Sir

(f) No, Sir Petitions may have gone to the Deputy Commissioner since the requisitioning was carried out by him

(g) It is understood that only 83 acres will be permanently acquired and the remainder of the land will be returned to owners The question of giving land elsewhere is a matter for the Provincial Government concerned

Sardar Mangal Singh May I ask whether in requisitioning lands for such purposes the Government of India will take care to see that fertile lands are not acquired but only lands which are not fit for cultivation?

Mr G S Bhalja Government do not propose to requisition any more lands

INDIANISATION IN THE I A V C

536. ***Pandit Mukut Bihari Lal Bhargava** (on behalf of **Pundit Thakur Das Bhargava**) (a) Wil the Secretary of the Defence Department be pleased to state the number of permanent Indian Officers (with British qualifications) with their ranks in I A V C ?

(b) Are there any permanent Indian Lieutenant Colonels and Colonels in the I A V C and has any Indian acted as such during the war?

(c) Do Government propose to consider the advisability of accelerating the pace of Indianisation in this service?

Mr G S Bhalja (a) There are 15 permanent *i e* Regular Indian Officers in the I A V C and all possess British qualifications

Two are temporary Lieut Colonels eleven war substantive Majors and two are substantive Captains

(b) There are no permanent *i e* regular Indian Lieut Colonels or Colonels in the I A V C but one held act rank of Colonel and five temporary rank of Lieut Colonel during the war

(c) Yes Sir

EMPLOYMENT EXCHANGE OFFICE AT ALMORA

537 ***Sjt Seth Damodar Swroop** Will the Secretary of Defence Department please state

(a) whether there is an Employment Exchange Office at Almora if so the strength of its staff and the monthly expenditure on its maintenance

(b) how many and what appointments it has so far been able to obtain for the retired military personnel of this district and

(c) whether there is a District Soldiers Board also with its office at Almora if so whether Government propose to entrust the work of securing employment for the retired military personnel to this office?

Mr G S Bhalja The question should have been addressed to the Honourable the Labour Member It has accordingly been transferred to the list of questions for the 4th March 1947 when it will be answered by him

PUNISHMENT TO RATINGS IN CONNECTION WITH THE REVOLT IN ROYAL INDIAN NAVY

538 ***Sri V Gangaraju** Will the Secretary of the Defence Department be pleased to state

(a) the number of Ratings imprisoned dismissed or discharged in connection with the last revolt in the Royal Indian Navy

(b) the present position and pay of Commander King of the Royal Indian Navy

(c) whether Government are aware that his present position is more responsible than his previous position and

(d) if so the reasons for keeping him in such a responsible position?

Mr G S Bhalja (a) Ratings Dismissal with disgrace and imprisonment—15, Dismissal with disgrace only—5 Dismissal and imprisonment—137 Dismissal only—130 Discharged as unsuitable—235 Imprisonment and discharged as unsuitable—1 Total—523

(b) Commander King is now the Deputy Principal Sea Transport Officer in the Sea Transport Organisation in India The present pay of Commander King is Rs 1,968.

(c) Government do not consider that the present position held by Commander King is a more responsible one than his last

(d) This does not arise in view of the answer in (c) above

Sri V. Gangaraju. What was the previous pay of Commander King?

Mr. G. S. Bhalja: Speaking from memory, subject to correction, it was Rs 1,968

Lala Deshbandhu Gupta: Did Commander King benefit in respect of his salary?

Mr. G. S. Bhalja. As I said, his present pay is less than what he drew in his previous post

Shri D. P. Karmarkar: With reference to part (a), in view of the fact that the ratings behaved as they did under great provocation, will Government consider the question of condoning what they did and restoring to them the previous privileges

Mr G. S Bhalja. No, Sir

THE RAILWAY BUDGET—LIST OF DEMANDS—*contd*

SECOND STAGE—*contd*

DEMAND NO 15—CONSTRUCTION OF NEW LINES

The Honourable Dr. John Matthai (Member for Railways and Transport) I beg to move

"That a sum not exceeding Rs 2,46,52,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Construction of New Lines' "

Mr. President Motion moved

'That a sum not exceeding Rs 2,46,52,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Construction of New Lines' "

Opening of New Lines and Restoration of Dismantled lines

Sri A. K Menon (West Coast and Nilgiris Non Muhammadan Rural) Sir, I move

"That the demand under the head 'Construction of New Lines' be reduced by Rs 100 '

This same cut motion was placed before the House last year and the fact that I have been authorised or permitted to move it this year also shows the importance which the Congress party attaches to it Now that a responsible Government is in power, we hope that it will receive their sympathetic consideration I shall first deal with the restoration of dismantled lines because unless and until these are restored there is no use of discussing the question of new lines, because the same fate may overtake them It is necessary to place some facts before the House in regard to this matter Twenty-seven branch lines covering a distance of 948 miles were dismantled between 1940 and 1945 These lines were constructed with the approval and sanction of this House but their dismantlement was effected without its sanction The then Honourable Railway Member in one of his budget speeches said, as an excuse for this conduct, that a debate on dismantlement on the floor of the House would have been extremely difficult I cannot understand why it should be so, when much more difficult questions are being discussed here every day Now most of these dismantlements have taken place for shipments overseas during the war, and the cost with respect to the rails that were dismantled was recovered from the British Government, according to a statement made by the then Railway Member himself I shall now state why

I think these lines should be restored These were constructed after a lot of agitation, inquiry and expense and after the preparation of estimates, and also with the approval and sanction of the Assembly Why were they dismantled without the approval of the Assembly? Can it be that the Railway Member thought that he was committing a kind of vandalism with regard to these lines? Can it be that assent of the House could not be obtained easily with regard to these dismantlements? Or can it be that a promise would have been extracted from the Government about the early restoration of these lines as soon as the war was over? Anyway the fact remains that these lines were removed without the permission of this House Now this legislature and the Government gave a certain benefit to the people of the areas served by these lines and it was taken away at a time of stress There is now a moral duty on the House and the Government to restore these lines to the people concerned, these lines have never been declared unnecessary And so I submit they should be restored Secondly, the restoration of these lines will mean the restoration of the prestige of this House because they were dismantled without their permission But those are not the only grounds on which I base this claim for restoration As I said, these lines were constructed after a good deal of agitation, enquiry and expense, and all these should not be wasted Moreover, ours is a vast country with innumerable undeveloped resources, and compared to other countries our commerce and industry are poor We cannot afford to lose one mile of rail in this country when our mileage is already low With respect to these 27 Railways, only the rails have been removed, the roads, stations and bridges all remain intact So it is only the rails that are to be put back and the telegraph wires to be installed So it is fairly easy In recent times there has been no additional mileage created on the railways for civilian traffic, which is another reason for the restoration of these lines as early as possible Most of these railways were restoration for commercial industrial or strategic purposes, or for the benefit of the people at large All these reasons which existed when these lines were constructed for commercial, industrial or strategic purposes, or for the benefit made in 1924-27 have not ceased to exist in 1940 or even in 1946 It is well known that once a railway line is constructed, its removal causes great inconvenience to the people whom it served, because with the introduction of the railway bullock carts and other modes of conveyance disappear And now there are neither railways nor these bullock carts nor any other conveyance For these reasons I say that these lines should be restored as early as possible

What are the grounds on which the Government decided against the restoration of these lines? One reason was that they were unremunerative I say that this ground cannot hold water When did this unremunerativeness come into existence? Did the Government place this matter of unremunerativeness before the Assembly at any time before they were dismantled? May I ask were only unremunerative lines dismantled? Was not Cawnpore—Kharada lines dismantled? It was asserted, I think, by my friend, Mr Sri Prakasa, that it was a remunerative line So it would seem that it was not on this ground of unremunerativeness that these lines were dismantled The other day my Honourable friend Pandit Malaviya, stated that the East Indian Railway was working unremuneratively Are you going to close that Railway because it has ceased to be remunerative? So this plea is only an excuse for not restoring these lines and not spending money on them I also wish to point out that unremunerativeness could not have come as a surprise to the Government Most of these lines are branch lines and it has been the policy of this Government with respect to branch lines to consult the Provincial Governments concerned and to take guarantees from them before they are constructed So to say in 1946 or 1947 that these lines were unremunerative and therefore they could not be restored is not convincing, because they knew when these lines were first constructed that they were likely to be unremunerative, otherwise what was the reason for taking guarantees from the several

[Sir A K Menon]

Provincial Governments? I say, therefore, that the plea that these lines are unremunerative cannot stand

Moreover may I ask whether railways exist simply for profit? Do they not exist for rendering service to the people? We do not exist for making money alone but for rendering service in all ways we can May I ask why there should be this reluctance to spend money on the restoration of these lines? The cost of these lines has already been realized from the British Government The money has gone either to swell the sterling balances or it has reached the Exchequer of the Government of India In either case the Government have been adequately compensated, and they are not going to incur any loss Therefore no reluctance should be shown in restoring these lines

There is another aspect of the matter which I wish to place before this House Sometimes it is better to spend some money in order to save the larger money that has already been spent, and therefore it will be a good economy to restore these lines than to let all the money that has been spent on them go waste In this connection I will give one illustration With respect of the Shoranur-Nilambur line in Malabar it was stated by the then Honourable Railway Member in reply to a question put by me last year, that the total amount spent on this line for construction was Rs 80,29,131 and the cost of restoration would be about 20 lakhs Now supposing the line is unremunerative, still is it not better to spend this 20 lakhs and earn interest on it as on 80 lakhs than to waste this 80 lakhs altogether?

Another ground on which the restoration of these lines is opposed is that these were strategic lines and they have now ceased to be strategic I cannot understand how a line built as strategic ceases to be strategic so soon, it is curious Generally these strategic railways are built after a rebellion or after some sort of trouble has taken place It is built long after the rebellion or the trouble is over The Government do not anticipate the trouble The door of the stable is closed after the horse is stolen! This was what had actually taken place in several cases In 1921 the Moplah rebellion took place in Malabar, in 1923 it ceased in 1924 the Government began to think of constructing a railway in the affected areas, in 1927 they opened the railway, in 1940 they dismantled it and now we cannot say whether the communal troubles have all ended and that they are not likely to occur again If some rebellion or trouble takes place, then after the rebellion or the trouble is over they will start thinking of constructing the railway again It is a bad policy to follow I submit therefore that there is no meaning in saying that these strategic lines have ceased to be strategic Once these grounds exist—commercial, industrial, public utility, or strategic—they continue, I do not know how those grounds can evaporate so soon

Why I have taken so much time of the House to argue this question is because some hope has been given to us by the Honourable the Railway Member in his Budget speech He stated that 2 crores of rupees had been set apart for the construction of new lines and for the restoration of old lines, but that he had not yet made up his mind as to which lines were to be restored and which lines were to be newly constructed and that he was still communicating with the Provincial Governments concerned Any way it gives me some hope, to think that the Government will consider all these aspects of the matter and will restore these old lines ere long

With regard to new construction, I wish to say a word The Government is either pursuing a bad policy or they have no policy at all For a long time they have not built any lines in the country between 1940 and 1946 no additions to civil traffic has been made At one time it was a pride of this Government to say that they had added so many miles to the railway system, but for a long time past they have not done anything Seeing the vastness

of the country, I suggest that the Government should set apart and spend a fixed sum every year for the development of the railway system in the country I would also suggest that a committee consisting of commercial, industrial, and touring interests be appointed to see in what way this development should take place

Mr. President: The Honourable Member has already taken 20 minutes

Sri A. K. Menon: Now there are certain anomalies in the Railway system which I wish to bring to the notice of the Assembly A man in Mangalore in order to go to Bombay a nearer station has to traverse the whole Peninsula and go to far off Madras or Arakonam Can a more anomalous position be considered? There were several plans to connect Mangalore to North Canara by linking it to Shimoga, Bhatkal or Hubli, and to connect Mangalore to Mysore by linking it to Hassan or Arsale But nothing was done

12 Noon

The Mysore Government would be most glad to share a portion of the expenses Therefore I say after considering all these facts that there is a want of policy Our vast country has to be knitted into one united harmonious whole by an efficient railway system, where distances are annihilated or rarefy

Mr. President: Cut motion moved

That the demand under the head 'Construction of New Lines be reduced by Rs 100

Dr. Zia Uddin Ahmad (United Provinces Southern Division Muhammadan Rural) The Honourable Member in the Railway Department has given us the total mileage and also the details of the dismantled lines We have them before us but they have not drawn up any programme—at least we do not know of any—for restoring the dismantled lines I wish the Honourable Member would take us into confidence and lay before the House a programme of a three, four or five years plan with priority and where does he think the dismantled lines will be restored Then let us know the programme for each year so that we may give our opinion from our personal experience and knowledge Also we would like to visualise the difference in the cost, that is how much we lost when we handed over the material and dismantled the lines, and how much it will cost in restoring it, how much money we will realize from the Defence Department and under what head will the balance be debited. That is very important from our point of view The next thing is what Mr Menon has pointed out, that in restoration it is not only the commercial side to be considered but one should also take the case of public utility There are certain places where there is no road In those places where no alternative route exists, they should be given a priority even if it is unremunerative A point was raised by my Honourable friend of the East Indian Railway I put a short notice question but the Honourable Member replied that this thing might be raised during the discussion and also on the demands in the Railway Budget For travelling to Bombay we have two routes and there are two hands to demand—the B B & C I and the G I P Therefore they get their double share of travelling from Delhi to Bombay But for travelling to Calcutta there is only one hand to demand, that is the E I R Therefore when they consider the division and allocation of the rolling stock to the various railways they should take this fact into consideration Perhaps my honourable friend does not remember, but I do ask him to look into the files of 1940 when the Finance Committee decided to give one crore of rupees for the rolling stock to the East Indian Railway in the time of Mr Marriott That was sanctioned but at the last minute it was withdrawn and one crore of rupees was not given to the East Indian Railway in 1940 Had this amount been given, the condition of the East Indian Railway during the war would have been much better than now The condition of the East Indian Railway ought to be specially looked after for two reasons Firstly, there is one line serving

[Dr. Zia Uddin Ahmad]

that particular area and all the goods, especially iron and steel and coal passes through the East Indian Railway, and we are very much handicapped on account of the shortage of the rolling stock in Calcutta I have studied the question of the late running of the East Indian Railway The chief reason for the delay is the absence of the Railway rolling stock If the rolling stock is supplied to the East Indian Railway I am sure that the traffic would be very much more regular than it is at present At present even for short journeys nobody can be sure on keeping up any engagement in any other town because he is not sure whether the train will be three, five or even eight hours late Therefore engagements are difficult if we travel by train You put much handicap on the road traffic by cutting down the supply of petrol and at the same time you do not supply convenient traffic by rail All those people who have business are very much handicapped The railway service cannot be relied on and the road service is impossible because of petrol I suppose this question of rail-road competition is a topic in which the Congress party will move a cut in the afternoon So I will not discuss it now But I would urge on the Honourable Member that in order to restore regular service on the East Indian Railway and in order to have an easy passage of coal, iron and steel which are very important articles services should be regularised

Seth Sukhdev (Sind Non Muhammadan Rural) Sir, I rise to support my Honourable friend, Mr Menon's cut motion on the demand We are still undeveloped as regards railways The railway mileage in Indian provinces is very small compared with European countries and the United States of America Even Russia which was very backward some thirty years back has developed very much her railway connections all over the country Our previous Government was more concerned about military strategic railways or railways connecting cities and big towns to push their English goods there, or railways that gave fat dividends to the capital invested by these people They never cared for the convenience of the people, they never cared to put railways in the thinly populated areas nor in backward parts of the country Their whole objects was how to exploit poor people and get large profits

On the question of construction programme I myself feel keenly about the Sind Bombay connection This has been agitating Sind people for the last 50 years and nobody cares to look into that matter, thinking that Sind is a very small province My predecessors from Sind spoke year after year, on this Assembly, but the reply was that the shorter connection between Bombay and Karachi was unremunerative So the Indian Merchants Association and the Buyers and Shippers Chamber of Karachi prepared a plan with the help of railway experts at considerable cost and found that shorter railway connection between Karachi and Bombay *via* Badin on N W Railway and *Viramgham* on the B B & C I will curtail the journey by 18 hours and was also remunerative

Sir, generally the journey from Karachi to Bombay take about 44 hours and the distance covered is about 1,000 miles By the new connection between Badin on the N W R and Viramgham on the B . B & C I Railway travel will be reduced to 26 hours I hope the Honourable Member for Railways and Transport will look into the matter and see that this line is constructed

I may add here that Karachi is one of the major ports and is an important air station All major ports like Bombay and Calcutta have direct train service to Delhi but Karachi has none No reason has been given for the absence of such a direct connection

In conclusion I would request the Honourable Member to prepare a ten year scheme for railways after consulting all the provincial governments and

then to go on with that programme step by step and not construct railways haphazardly as was being done by the previous government

With these remarks, Sir, I support the cut motion

Mr. Tamizuddin Khan (Dacca *cum* Mymensingh Muhammadan Rural) Sir, as the last speaker has pointed out and as every one in this House knows the railway mileage in India is very meagre in comparison with the mileage in Europe and other advanced countries Therefore there is a great necessity for opening up new lines and there cannot be any dispute about that

The provision of only 2½ crores of rupees for new construction seems to be therefore very inadequate Of course the Honourable Member is faced with various difficulties, and there is no gainsaying that fact He cannot do anything overnight Still it seems surprising that there appears to be no development plan so far as the railway department is concerned In all other departments there are now postwar plans and those plans have not only been sanctioned but work has commenced to give effect to them If there is any plan for postwar development in regard to railways I would like the Honourable the Railway Member to place it before the House I do not know if the Railway Department has prepared any postwar plan Also I would like to know what is the amount of money that is going to be spent on such plan Has anything been worked out? We do not know I think that in view of the poor mileage in this country this matter requires early and very serious consideration

I would like to draw the attention of the Honourable Member to page 12 of the proceedings of the Standing Finance Committee meeting held on the 28th and 29th January, 1947 There is one thing there which at first sight I could not understand If the Honourable Member kindly refers to page 12 he will see that with regard to survey projects in the Bengal Assam Railway there are as many as 11 projects Of these as regards one only, provision has been made in the budget

The Honourable Dr John Matthai May I ask the Honourable Member for the reference?

Mr. Tamizuddin Khan: Page 12 As regards ten other projects there seems to be no provision in the budget Regarding one of these projects I made enquiries and I am told that the survey has been completed I would like to know regarding the remaining 9, whether the surveys have been likewise completed If not, why is there no provision in the coming year's budget? I hope the surveys have been completed

Regarding the line under item No 1 Faridpur—Barisal I would like to say a few words Barisal is a district in Bengal, one of the few districts that are not connected with the metropolis of the province by railway and a great deal of inconvenience is suffered by the people on that account As regards this line there is no question about its importance but there is one disconcerting factor In previous days whenever the question of competition between a prospective railway line and an existing steamship company arose, the decision of the Government almost invariably used to be against the proposed new railway line in the interest of the steamship company Here also there is a rival in a steamship company that plies its crafts from Barisal to Khulna and already there is a rumour there that the steamship company has put in a very strong protest and there is hardly any prospect of the line being taken up. I do not know whether the Honourable Member is aware of anything regarding this He may not be aware of this I would only ask him kindly to make enquiries as to this line.

As to another line No 9, that is also a very important project and I would like to know whether it is likely to be taken up soon or not

[Mr Tamizuddin Khan]

Regarding these projects I would like to say that the eastern parts of India stand on a special footing not only on account of their strategic importance but also because one of these regions, *viz* , Bengal on the eastern frontier is a deficit area so far as foodgrains are concerned Every one remembers the tragedy of the Bengal Famine of 1943 There were various factors that contributed to the famine and the consequent loss of human life to an appalling extent One of the main factors was the want of communication If food grains could be moved easily from one part of the province to another, I am definitely of the opinion that the death roll would have been much less than what it was Therefore whether from the point of view of strategic importance or from the point of view of the danger of the recurrence of famine in that part of the country I hope that the proposals that are there for new railway lines in the eastern parts of India will be given special consideration I do not object to what the mover of the cut motion said about the restoration of old lines requiring serious consideration I agree with him there Wherever those lines were serving the people and there is no serious objection to the reopening of those lines, every care should be taken to see that the lines are reopened as early as possible But that does not mean that the question of constructing new lines should not be taken up unless and until all the old lines have been reopened Both the things must go together according to the respective importance of each

Then, Sir, there was an old proposal to open a line from Aricha to Dacca in Bengal Aricha stands on the Padma opposite Goalundo and the idea was to connect Goalundo with Dacca That was a very important line But at that time, as far as I know, the line was given up on grounds of public health The Public Health Department at that time is said to have sent a report against the proposed line on account of the apprehension that the line would have obstructed the natural drainage of that part of the country Whether that was the real reason or the real reason was that the interests of the steamer company would have suffered I do not know

Mr M. A. F Hirtzel (Bengal European) On a point of information, Sir May I ask the Honourable Member whether he was not a Minister in the Government which agreed to safeguard the interests of public health by not constructing that line?

Mr Tamizuddin Khan That is an irrelevant point The point I am going to refer to is this Now that there is an all-India road development plan,—and I am told that there is a plan for a road, though it may not be exactly parallel to the proposed line—if the road is not likely to obstruct the natural drainage of the area how could the railway line have done so? The very fact that my Honourable friend, of all Members in this House has raised an objection to what I have said raises a suspicion in my mind that there must have been some objection by the steamship company concerned Otherwise why of all persons my Honourable friend should raise this objection I cannot understand Sir, I am not an advocate of the proposition that if the public health of a particular place is likely to suffer on account of the opening of a railway line, still that line should be opened I am not an advocate of that But I think that our experts very often give advice which ultimately proved to be not in the best interests of the country In this case also the advice that had been given by experts did not appeal to the people in general If a road is going to be constructed there, I of all persons fail to understand why a railway line would be more harmful than the proposed road I do not oppose the road project If I cannot get the railway the road will be all right But I am putting forward this argument that the railway line and the proposed road stand on the same footing If the one can be agreed to why the other should be objected to I do not know

With these words I support the motion and I would like the Honourable Member to make a statement to the House particularly with regard to the development plan of the Railway Department

Mr. Madandhari Singh (Bihar and Orissa Landholders) Sir, I support this motion moved by my Honourable friend, Mr A K Menon In doing so I want to put forward some of the grievances of my province So far as railway lines are concerned I agree with Mr Tamizuddin Khan that they are very inadequate in our country In Bihar particularly we are having few railway lines which connect one important town with another I am really very sorry to put before the House that there are many district and sub-divisional headquarters which are not connected with railway lines During the war time some railway were dismantled Most important of them was the Bhagalpore—Mandar Hill line Mandar Hill is a place where pilgrims go to worship God That is an important railway line There is one more point If this railway line is reopened it will facilitate foodgrains to be brought into Bhagalpore town This is a very important railway line of that district

There is one sub-district Saharsa In that sub-district we have railway lines only for seventeen miles The railway line between Mansi and Koparia stations has become a 'fair weather railway line —that is to say that line functions only during the winter and summer seasons and cannot function during the rains I wanted to draw the attention of the Honourable the Railway Member to this fact and I hope he will take steps to remove the grievances as soon as possible

There are about five projects to be taken as post-war reconstruction schemes But they have not been given any effect till now I hope the Honourable the Railway Member will take steps to see that these new lines are opened as quickly as possible

There are some very important lines such as the line from Patna to Ranchi We feel great difficulty in going to Ranchi If this railway line is constructed and if it begins to function I think a very longfelt grievance will be removed

The other line I wanted to speak about, Sir was the new railway line from Patna to Jamshedpore Jamshedpore is a very important town, but it is not connected with Patna There is also the other town, Dalminagar in Bihar I hope that will also be connected with Patna We feel much difficulty in going to Jamshedpore and Dalminagar

I bring these grievances before the House and I request the Honourable the Railway Member to consider all these facts and take early steps to remove the grievances of the people of Bihar

Mr. Ali Asghar Khan (Assam Muhammadan) Sir, in support of the motion I should like to say that the railway lines in India are very inadequate and the Honourable Member for Railways should take a survey of India and see where new lines can be opened For meeting the business requirements in the country,—and we are getting independence—more railway lines and better communication is required

Sir, practically everything has been said by the Honourable Members of this House who have spoken before me on this subject There is therefore not much for me to say except that the Railway Member should take keen interest in the matter and try to expedite the improvement in the railways and increase the railway lines in the country In Upper India, from Howrah upwards, the railway line is sufficient but in Bengal and Assam the Railway lines are insufficient and development can be done to a great extent I find that when the Railway Budget comes up, the Honourable Member says a good deal about improvements of railways but action is very slow In connection with the last Railway Budget I was requested by a particular friend of mine to speak about the

[Mr. Ali Asghar Khan]

restoration of the railway line from Habiganj to Saistaganj which was dismantled during the war and the previous Railway Member gave a promise that he would restore the line as early as possible One year has gone since then and nothing has been done as yet People are put to great inconvenience The report goes that the materials are still lying there and I do not know what is the reason for the delay There are many sub-divisions and many business places in my province of Assam as well as Bengal where there is no railway communication and I hope that the Railway Board will see that these communications are given to the public The sub-division of Molvi Bazar in the district of Sylhet is without any communication There was a proposal to open a railway line there Nothing has been done up to now I hope the Railway Board will give its attention to this and try to meet the demand of the public for opening up railway lines I hope the Honourable Member will give consideration to my suggestion

Rai Bahadur Devendra Mohan Bhattacharya (Nominated Non Official) Sir, I agree with everything that has been said by my Hon'ble friend Mr Tamizuddin Khan on construction of new lines in East Bengal as we both hail from the same district and our complaints are the same I am sorry to say Sir, that the grievances of Eastern Bengal districts have never been attended to by the Railway Administration It is true that Eastern Bengal is a land of rivers and there was a time when we had no necessity for railway lines But those days are gone as our rivers are now drying up We are now therefore looking up to the Railway authorities for new lines in our areas There is no railway line from Gopalgunj to Faridpur the District Head Quarter and a man who wants to go from Gopalgunj to Faridpur has to go *via* Calcutta or *via* Goalundo which takes about a whole day, although the distance between Gopalgunj and Faridpur is not much There are other places in the Eastern Bengal districts which are so badly connected with each other that it is very difficult to go from one place to another A railway line is essentially necessary from Jessore to Faridpur and another from Khulna to Barisal *via* Gopalgunj We have heard that a line is being opened between Faridpur and Barisal and some money has been allotted for survey But the progress is so slow that we do not know when it will be completed Nothing practical has been done so far Sir, these are some of the lines in East Bengal which are essentially necessary for communications from one district to another and which I believe will receive sympathetic consideration from the Hon'ble Minister of Railways With these words, Sir, I support the motion that has been moved by my Honourable friend Mr Menon

Haji Abdus Sattar Haji Ishaq Seth (West Coast and Nilgiris Muhammadan) I strongly support the motion moved by my friend Mr Karunakara Menon In doing so I wish to speak for a part of this country which gets very little hearing in this House and it gets much less attention of all in the departments of the Government of India I am speaking about the restoration of a line in Malabar That is the line between Shoranur and Nilambur which was dismantled for reasons of war

The House may remember, I had the privilege of moving an adjournment motion on the 25th November 1940 on this identical question The question was debated and the reason given for dismantling that line was of course war necessity but a sort of promise was made after the war that this question will be reconsidered and if possible the line will be restored I know there were many "ifs" and many conditions After the end of the war a number of questions were asked here by representatives from Malabar Once or twice the answers were a bit helpful Last year we were told that the department was definitely against restoring that line, because among other reasons roads were opened up and there was enough motor traffic in that area But I want to call the attention of the Honourable Member to the fact that

motor transport in that part of the country is certainly not enough to cope with the needs of the people of that part of the country I have to make a general proposition which I am sure my friend will agree with The needs of that part of the country so far as transport is concerned receive very little attention from his department here The reason is that we are so far away from the Centre Now, the Honourable Member in charge of this department, fortunately for us, comes from very near our part of the country and he is a Malayalam speaking gentleman and he can at least understand our feelings and needs I wish to stress the need of not only restoring this line but of extending it in terms of what I stated in this House when I moved the adjournment motion on the 25th November It was then suggested that this line was not a remunerative one It is true It was agreed both by myself and the Honourable Member in charge Sir Andrew Clow that it was constructed purely as a strategic line then If it is to be made a remunerative line and if the needs of that part of the country have to be taken into consideration, then the line should certainly run through Manjeri, Malapuram and the very thickly populated parts of Ernad and Valluvanad After it was said that it was constructed for strategic purposes, to say now that it is not remunerative is rather unkind They did not want a remunerative line when they started it and therefore if it was not remunerative and if it is not going to be remunerative, the blame can hardly be laid at our door As I started, the needs of that part of the country are great and many If my Honourable friend will give a little attention now that he is in power here, he will be able to do a great deal for us

Apart from this my Honourable friend Mr Menon raised the question of extending the line from Mangalore north It is a curious position that we from Malabar, if we want to come to Delhi, from the west coast, have to go first to the east coast, that is to Madras Then, we have either to go west to Bombay and then come to Delhi, or come by this Nagpur route If we have to go to Bombay from the west, we go to the east coast and then again we go to the west Bombay is about 500 miles from Calicut by direct line, but I have to travel about 1200 miles by going first to Madras and then to Bombay All these anomalies can be looked into and they should be looked into

Then, Sir, as was stated by Mr Menon, these lines are not to be run simply on considerations of profit There is the question of service This very line Shoranur to Nilambur used to serve a great deal those people who were interested in timber It was doing a great service by transporting timber from the forests of Nilambur to the coast line If, as I suggested, the line were to be taken through Malapuram and Manjeri, all that tract of the country will be not only opened up to all the ginger, coir and other products of that part of the country but they can easily be brought to the market My Honourable friend must know that this is a very thickly populated part in India In fact, some people think that this is the most thickly populated part of India As such, the facilities for conveyance in that part of the country when they are compared with other parts are very meagre Some of my friends from north India have spoken and when I look at the map I wonder at what they state in this House I request them to look at the map of my part of the country and they will realise how far better off they are But certain people in this world never know when they are better off For all these reasons I very strongly urge upon this Department that they should not only think of restoring this line but of extending it in the manner I have suggested I had suggested that they should consult the members who come from my part of the country as to the best way in which this line can be reconstructed, so that it may be made a paying concern and also it can do the greatest service

Then, Sir, my Honourable friend Mr Menon referred to the line from Mysore to the coast This is a project which has been hanging fire for, F

[Haji Abdus Sattar Haji Ishaq Seth]

think, quarter of a century It has been decided one way or the other The earliest decision was to take the line from Mysore to Tellicherry As a matter of fact, that is the reason why the Tellicherry station is a very ancient and dilapidated wooden structure, because it was a temporary station Later on, they decided to take the Mysore line to Bhatkal Further, I now hear that the project has been negatived But this is a line which the Railway Board will do well to reconsider This will open up not only Malabar but also Coorg, and these are the tracts where a great deal of pepper and cardamum are produced In view of all this, I strongly support this motion and I urge upon my Honourable friend who though he is not a Malayalee, is a Keralite to use his influence on the Department and get us better means of conveyance Sir, I support the cut motion,

Mr M. A F. Hirtzel Mr President, Sir, I would like to offer a few brief remarks on the motion moved by Mr Menon not necessarily by way of support but by way of making a contribution to the debate Mr Menon spoke about the re-construction of lines which were dismantled during the war as a war necessity My understanding of the position is that certain lines which it is obviously necessary to restore are in fact being restored The fact that other lines have not yet been restored obviously causes inconvenience to the public At the same time, the fact that there is public inconvenience does not make the lines any more necessary if they were unremunerative before the war It is possible that when these lines were constructed, some mistake was made in the survey The surveys were too optimistic or possibly there was a change in the course of trade which caused the line to become unremunerative and which could not be foreseen I may remind the House that the making of a survey involves a large number of unforeseeable items It is not a matter in which there can be any mechanical accuracy On the other hand, it would also be useful, I think, to remind the Honourable Member that when a line is established, trade naturally follows, the established route If it is removed, inconvenience is caused to the public When the established route is cut, there is considerable inconvenience to the public

Now, I am sure it has been mentioned some time in the debates in this House that we now have the obvious alternative of building roads in place of railways I think the Honourable Member's predecessor did say something on that line, though I have not been able to trace the actual record at the moment But it appears quite obvious that where embankments and bridges already exist and the construction of a new line would be impossible for financial reasons, the alternative of a road is one which should be seriously considered There was one point in Mr Tamizuddin's speech, therefore which we on this side of the House could support and that is the necessity for an over all survey We hear a great deal about co-ordination, but nothing has, I think, been said in the Honourable Member's speech about exactly how the railways could be co-ordinated with roads in this particular connection We also hear a great deal about tripartite companies Obviously a possible solution is to build a road where the embankments are already prepared and form a tripartite road company We have not heard anything so far, I think, about the possibility of co-ordination of that kind as a substitute for the reconstruction of unremunerative branch lines, which I should regard as real co-ordination and which will add to the facilities of transport in the country

To return for a moment to the point about unremunerative lines The Honourable Member in para 6 of this speech offered certain suggestions He stated that alternative suggestions had been made as to how the problem is to be met He said the alternatives proposed were

"(a) That the Railway Department and the Provincial Government concerned should share both the capital cost and the earnings on an agreed basis, or

(b) that an initial lump sum subsidy should be paid by Provinces so as to render the capital cost to be incurred by Railways remunerative, the Province having no share in the profits "

I am much surprised that no one in this House has offered any comment on these very interesting suggestions I think I am correct in saying that As a matter of fact, Sir, they are suggestions which affect all Honourable Members who are in fact really much keener on their provincial interests than they are on our activities in this House We, on this side of the House, have no very decided opinion on these suggestions, at the moment, but we cretainly think that it is a very salutary idea that provinces should be asked to contribute Provinces, at the moment, have the idea that here is something which they can get for nothing, they seem to think the Railway Board is laying out the line, we have nothing to pay, let us have the railway line regardless of whether it is remunerative or not" We feel that decidedly it would put things on a more healthy footing if provinces had to agree to make a contribution I think, possibly, that would be in line also with the policy that was adumbrated in debates last year when it was said that the provinces were in future going to be much more consulted in these railway matters than in the past

Now, Sir, to come to certain particular points which Mr Tamizuddin Khan made about particular lines, he mentioned the Barisal-Faridpur line and he also referred to the famine situation in 1943 No one is going to dispute the need for more communications in Bengal That is quite certain But Mr Tamizuddin Khan could hardly have chosen a less fortunate example than the district of Faridpur where I well remember how in August 1943 when Mr Tamizuddin Khan was himself a Minister in Bengal, the Steamer company had a flat loaded with 14,000 maunds of grain which lay there for six weeks at a station in his own district because his district officials were unable to discharge it Now, Sir, I think that is perhaps an effective answer and I can quote many other instances to show that at least in the famine year, it was not lack of communications which led to the augmentation of deaths As regards the Dacca-Aricha line, Mr Tamizuddin drew certain inferences and made certain insinuations I am surprised to find that Mr Tamizuddin Khan is so out of date with his information It is a matter of 15 or 20 years since the steamer companies said anything to oppose the Dacca-Aricha line Mr Tamizuddin is apparently unaware of that He is also unaware of the fact that the reason why the road is now considered practicable without impairing public health is because the alignment has been altered That seems a very simple and practical reason and it is the correct reason I do not propose to deal further with that subject I would only like to say that we feel confident that the Railway Board will in these matters act on the best technical advice I do not see how they can do better than that That advice might prove incorrect in the light of subsequent events But they can only act on technical advice and we, on this side of the House, are prepared to leave the matter there With these words I support the Motion

The Honourable Dr. John Matthai: Sir, I find a little difficult to reply to the various suggestions which have been made in the course of speeches because several of them referred to individual railway schemes in local areas on which of course it is difficult to give anything like a considered reply on the spot I therefore propose to confine myself to the more important issues which have been raised in the course of the discussion My Honourable friend Mr Menon started off with the subject of restoration of dismantled lines The position that we have taken regarding the restoration of dismantled lines is briefly that in the first place the order of priority in which restoration is to be taken up is a matter that we must necessarily settle with reference to the views of the provincial governments concerned This matter was referred two years ago to the provincial governments which were in power at the time and since the new Ministry governments came into power, the question has been further referred

[Dr John Matthai]

to them so that we might be in possession of the views held on these matters by the representatives of responsible government in power That is the general position as regards the question of priority Now, we take the line that before we could decide on the restoration of any of these dismantled lines, we ought to take, under present conditions, seriously into consideration whether the lines would be remunerative Mr Menon said and also some of the speakers who followed him said that it is not altogether a fair test to apply because the Railway must take a broader view, it is not merely a question of these lines being remunerative, but also a question of these lines being serviceable to the country as a whole, that is to say we ought to look at it from the general service point of view Now, railways are not by any means in a comfortable position financially just now and we cannot altogether ignore the financial aspect of these matters If today we consider that the running expenses likely to be incurred in the management of these lines are such that railways are likely to be put to loss, then I suggest that it is not altogether an unreasonable attitude for the railways to take that first of all the question of remunerativeness must be settled Mr Menon asked me and I think my Honourable friend Dr Zia Uddin Ahmad asked me what exactly is the precise financial responsibility for the restoration of these lines between us and the Defence Department There has been a good deal of misunderstanding on this point and so I should like to make it clear briefly what is the allocation of financial responsibility between us and the Defence Department When these materials were sold overseas it was agreed that the Defence Department would meet the cost Then we sold it to the Defence Department That is briefly the position We sold them at a price which represented the replacement cost of these materials in 1945 less depreciation I should say that on the whole it was a reasonable formula to have adopted The Defence Department also is to meet the relaying cost of these dismantled lines Now, when it comes to the restoration of these lines, the Defence Department is again responsible for seeing that the relaying is carried out, that is to say, the financial responsibility for the labour cost involved in relaying is again that of the Defence Department We are responsible only for the materials, that is to say, materials which have been sent over seas for which we have been paid and materials which we have here in stock if they are not sent overseas These are the things for which we are no likely to pay, and obviously not, so that I do not think from a financial point of view the question of actual expenditure involved in the restoration of these products is a decisive matter There I agree with Mr Menon But the question of remunerativeness of the line from an operative point of view, that I think under the present conditions is important After all, Sir these branch lines are intended really for local development, and I think it is a reasonable line to take that a decision on these matters should be arrived at in consultation with the provincial governments concerned which is the line we have taken, and I do not think that is a line that is open to criticism There has been a great deal of reference in the course of the discussion on dismantled lines to a particular line in South India,—the Shoranur-Nilambur line My Honourable friend Mr Ishaq Seth said that since I was in charge of railways I should take particular interest in it Now it so happens that years ago when I followed your honourable profession Sir, I once argued a couple of criminal appeals in cases which I think occurred in this part of Malabar I am rather interested in this, so that I approach this question really with prejudice in favour of this scheme If ultimately I arrive ta a decision against this proposal Honourable Member will realise that I have done so after having given the most favourable consideration I could to the facts As regards the Shoranur-Nilambur line the position is that when reference was made in 1944 to the Madras Government they decided against it that was not one of the lines they were prepared to recommend Since the Ministry Government came into power we have made a further reference to which we have just received a

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reply that the Madras Government are still considering the matter So that we are not yet in possession of the final views of the Madras Government on it If the Madras Government thinks that this is one of the lines in the Madras Presidency which ought to be restored we from the point of view of the Railway Board would certainly have to go into the question of its remunerativeness, and then it would be a matter for arrangement between us and the provincial gov ernment how the expenditure involved would have to be shared between us and the provincial government

My Honourable friend Mr Tamizuddin raised the question of our general development programme I made a brief reference in my budget speech to the projects that we have at present under examination As far as new lines are concerned we have got the construction of about five thousand miles under investigation I think my Honourable friend asked me why it is that we do not go forward at a faster pace and make plans on a bigger scale, because the total railway mileage in this country in relation to the population is so small That is perfectly true But the difficulty in regard to carrying out big development plans—and that applies not merely to the railways but also to other departments of Government—are broadly two There is first of all the financial question The financial question in relation to development was probably less difficult a few years ago, but it is not going to be quite as easy a proposition as some Honourable Members might think The question of finances required for development is going to give us a certain amount of anxious thought Apart from that there is a very vital question in regard to all planning at present We might be in a position to get over the financial difficulty but I think what is going to tell in the immediate future is the scarcity of materials It is not our financial resources but our material resources which are going to play a decisive part in the settlement of this question In the report of the Advisory Planning Board, over which my Honourable friend Mr Neogy presided, a very important suggestion has been made with regard to railways, namely, since many of these important materials are in short supply is it right that railways should make an undue demand on them? Because, if the railways carried out their plans on anything like the scale that they have in mind it would for the time being mean a very big demand upon materials which are already in short supply We have got to take that into account As I said a few days ago in this House, as far as capital expenditure required for replacement purposes is concerned, we do not think it is possible to postpone that But as far as new lines are concerned I think the question of scarcity of materials at present is something that we cannot altogether overlook So if my Honourable friend finds that we are not going ahead at the rate at which he would like us to he will realise that it is due to circumstances which are to a very large extent beyond our control

Then, Sir, there are various specific proposals which have been made to me regarding local projects My Honourable friend Dr Zia Uddin asked me about the East Indian Railway, I have looked into the figures and I find that the East Indian Railway is under present conditions quite well provided in comparison with the G I P and the B , B & C I on the other side of India, not merely in regard to the number of trains provided but also in regard to the number of units of rolling stock provided So that I think on the whole there is very little room,—as I said, specially with reference to present conditions,—for complaint as regards the East Indian Railway

My Honourable friend Seth Sukhdev asked me about the Karachi-Bombay line As he probably knows, there are two alternative routes under considera tion The survey with regard to one of them has been completed and we expect a report on it quite soon As to the other I think the survey is still in progress, but we expect to get a report at a very early date Till then

[Dr John Matthai]

reports are in hand it is impossible for me to make any definite suggestion with regard to them

My Honourable friend Mr Hirtzel as usual raised the question of rail-road co-ordination Since there is a cut motion on this subject I think I had rather defer saying what I have to say on this subject till that motion comes up for discussion I think I made a reference to this question in my reply to the general discussion, I do not know if I should be in a position to add to it, but I would ask him to wait till we have had a discussion this afternoon on the general question

Khan Abdul Ghani Khan (North West Frontier Province General) Sir, on a point of order, the Honourable Member has forgotten the gentleman who wanted to go to Ranchi

Sri A K Menon: Sir, I beg leave of the House to withdraw the cut motion

The cut motion was by leave of the Assembly withdrawn

Mr President. I find that the motion on rail road co ordination comes from the European group under demand 15 and from Sri Mohanlal Saksena under demand 16 I should like to know the proper heading under which this discussion will come

The Honourable Dr John Matthai I suggest that demand No 15 would perhaps be the appropriate head to raise this question

Mr President Then Mr Saksena's motion which is given under demand No 16 has to be taken up now My point is that the motion which Mr Saksena has tabled in respect of Demand No 16 would fall more appropriately under Demand No 15

Mr A C Turner (Government of India Nominated Official) Demand No 15 may be left open till after the European Group cut motion under this head has been moved That is what has happened in respect of Demand No 1 and that was the procedure adopted last year

Mr. President That is what I am going to do But my point was could Mr Saksena's motion then be discussed under Demand No 16, because it refers to the policy of Rail-Road Co ordination? Which is the proper head under which this could be discussed?

Dr. Zia Uddin Ahmad That does not matter We discuss them in the order in which they are put in the agenda

Mr. President: If this was the proper head for Mr Saksena's motion, I would have suggested, if the Honourable Members are agreeable, that it should be taken along with this, and then to keep over the Demand, if it be necessary for the European Group

Mr. M. A. F Hirtzel. May I say that we have no objection to that arrangement We are prepared to have our say on Mr Saksena's motion and in that case we will not move our motion on this subject

Mr. President: I find Mr Saksena is not there That is the difficulty I

Sjt. N. V Gadgil (Bombay Central Division Non Muhammadan Rural) It can be moved later on The House can go on with the cut motion of Pandit Balkrishna Sharma

Mr. President: My point is perhaps not clear This is a motion tabled by the Congress Party, and as we are taking all motions on any Demand by that

party, this being a motion in respect of Demand No 16 by the Congress Party, it should be taken before any motions on Demand No 16 are taken

Sjt N. V Gadgil: It can be taken at any time It is the result of an arrangement made between the Parties with the President

Shri Satya Narayan Sinha (Darbhanga *cum* Saran Non Muhammadan) We can take even Demand No 28 before Demand No 1 This has been the practice of the House

Mr. President. Then I should like to clarify one more point on which I am feeling a difficulty Is it suggested that any Demand can be taken up, and the cut motions of the same Party on that Demand may be taken up at any time?

Sjt. N. V Gadgil: It depends on the view they take

Mr. President Is it not the idea that that particular Party should exhaust all its cut motions with regard to that particular Demand?

Shri Satya Narayan Sinha: No

Mr. President: Any way the position is not yet clear to me I had thought that, if on Demand No 1 a Party tables five motions all of them have to be disposed of

Shri Satya Narayan Sinha: Not necessary

Mr. Presdient That would mean that they can move one motion on Demand No 1 and then say "put Demand No 10 and they would again come back to Demand No 1 That seems to me to be very queer I can postpone it for the purpose of other cut motions of other parties because the time allotted to them has yet to come, but if a particular Party tables cuts in respect of a particular Demand then all those cuts have to be taken one after the other, and the difficulty arises here because Mr Saksena has tabled his cut motion under Demand No 16 which more appropriately should be under Demand No 15

Sjt. N. V Gadgil: There is no limitation except the time allotted by the President as a resut of the arrangement to a particular party The particular party may have any arrangement suitable to them

Mr. President. Yes, any arrangement suitable to them provided they take all their cut motions in respect of one Demand and finish them

Sjt. N V Gadgil: That has not been the practice

Haji Abdus Sattar Haji Ishaq Seth Not necessarily A Party may consider one particular cut more important than the other, and they can put it according to the priority reached in the Party itself Therefore it is quite possible that it may take up Demand No 10, then Demand No 1, and then again go back to Demand No 10 It is according to the urgency and the importance of the cut motion

Shri D P. Karmarkar (Bombay Southern Division Non-Muhammadan Rural) May I make a submission? It appears that Mr Saksena's cut motion has been rightly tabled under Demand No 16 because it is under Demand No 16 that an expenditure of Rs 1,50,75,000 has been provided for this purpose

The Honourable Dr John Matthai: I agree It might be left under Demand No 16

Mr. President: In any case we adjourn now

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

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr President (the Honourable Mr G V Mavalankar) in the Chair

DEMAND NO 16—OPEN LINE WORKS—ADDITIONS

The Honourable Dr. John Matthai (Member for Railways and Transport) Sir, I beg to move

"That a sum not exceeding Rs 23,19,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Open Line Works—Additions' "

Mr. President: Motion moved

"That a sum not exceeding Rs 23,19,00 000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Open Line Works—Additions' "

Manufacture of Locomotives, Wagons and Coaches

Pandit Balkrishna Sharma (Cities of the United Provinces Non Muhammadan Urban) Sir, I beg to move

"That the demand under the head 'Open Line Works—Additions' be reduced by Rs 100

Before I touch on the specific question before the House regarding the manufacture of locomotives, I would like to take the House over the history of the manufacture of locomotives in this country Within the short time at my disposal, I will try to give as complete a picture of its history as possible and try to show how this locomotive industry in our country has lagged behind

Sir, the history of locomotives manufactured in India has had a very chequered career Indian opinion never favoured the import of locomotives into the country It always insisted upon its manufacture being done in India but somehow a sorry scheme of things so conspired, that we could not change the situation in its entirety and we continued to import locomotives in hundreds with the result that we have imported I think not less than about 7,500 locomotives into this country during the last 40 years

It was not that there were some technical difficulties in the way It was not that this industry was a new industry in this country As a matter of fact the East Indian Railway workshop and the Bombay, Baroda and Central India Railway workshop at Jamalpur and Ajmer respectively, did manufacture locomotives during the year 1885 and 1940, and I think that the B , B and C I Railway workshop even today continues to manufacture locomotives The House may not be surprised to know that the E I R workshop at Jamalpur and the B , B and C I workshop at Ajmer manufactured locomotives complete with boilers ,tenders, under frames, cylinders running gear and every thing, and they also had their own designs From the year 1885 up to 1925 the E I R workshop manufactured 214 broad gauge engines, 103 boilers and 99 tenders Similarly the workshop in Ajmer from 1892 to 1940 manufactured as many as 435 metre gauge locomotives in this country These figures will clearly show that our country did not lack any technical skill to manufacture locomotives, but as I said a minute before, somehow things so developed that we could not take up this work of the manufacture of locomotives in all earnestness

Sir, after the last 1914 18 war, the Government of India came to the conclusion that there must be a locomotive manufacturing shop in our own country and that our railways should not depend upon the international markets for the supply of locomotives With that end in view the Government of India in 1921 came out with a circular that they would encourage a private industry for manufacturing locomotives in this country Near about 1922 or 1923, what is known as the Peninsular Locomotive Company came into existence in this

country and it carried on its work for some time, but somehow it found that it could not compete with the prices prevailing at that time in the international market and therefore it applied to the Tariff Board for the protection of the locomotive industry. The decision that was taken by the then Tariff Board regarding granting protection to this industry has been summarised in the report that it gave regarding this question The Tariff Board said

"We consider it desirable on national grounds that the industry should be established in India and we believe that this could eventually be done (this protection should be given to it) provided substantial assistance were given by Government in the earlier years. But the existence of a sufficient market for locomotives in India is an indispensable preliminary condition and at present this condition is not satisfied"

"If protection were given now the country would carry a heavy burden during the next five years and at the end of that period the progress made would be insufficient to justify the sacrifice."

This was the opinion which was expressed by the Tariff Board at the time regarding the grant of protection to the Peninsular Locomotive Co. To me it appears that the Tariff Board and the Government of India of the time looked at this aspect of the question in a rather defective way. Perhaps the times were such that they could not look at this question from any other point of view They always thought in terms of giving some sort of support to private enterprise in the manufacture of locomotives but they did not think in terms of this industry being of the utmost national importance and therefore they did not take the trouble of establishing an industry of their own I do not mean that the Railway Board from time to time did not take into consideration various schemes for erecting a locomotive workshop, but those schemes came to naught in so far as the Railway Board would take no decision whatsoever in time

I would not take much of the time of the House by taking it into the maze of the various schemes which came before the Railway Board from time to time or which the Railway Board itself evolved in regard to establishing a shop for locomotive manufacture in this country I would, however, like to give an example or two

Once it occurred to the Railway Board that they must start a locomotive industry in this country and that they must spread it over, throughout the country, in three workshops Their scheme was that the boilers should be manufactured in the G I P Workshop at Parel, heavy forgings, etc , in the E I Ry workshop at Jamalpur and underframes, running gears and cylinders to be manufactured by, and final erection of the whole thing to take place at, the N W R workshop at Moghulpura That was one of the schemes that was thought out by the Railway Board but ultimately the scheme was rejected The whole plan was scrapped on the ground that the workshops at Parel, Jamalpur and Moghulpura would not lend themselves to conversion for this work Secondly it was not possible to exercise control over expenditure in three different workshops and thirdly (let us remember that these workshops were also to do the repair works) the objection that the Railway Board took at that time was that the correct allocation of expenditure between repair works and erection of the locomotives could not be properly distributed Therefore this scheme was scrapped

Then there came a scheme for remodelling the Tatanagar workshop for this work but that also was rejected because it was felt at the time that the alterations would cost very heavily, the layout of the factory was not quite satisfactory and the cost of labour would be very great These were the grounds on which the second scheme was also scrapped

In 1933 the Railway Board again went about with this business and estimated the cost of a new workshop with a capacity to manufacture about 50 to 60 locomotives at about 80 lakhs but this scheme was also abandoned, because it was felt that the prices prevailing in the international market at the time of locomotives were so attractively low, that to proceed with the scheme at that time would be a waste. As a matter of fact during these years up to 1933 there had been set up certain committees—the Raven Committee, the Pope Committee and the

[Pandit Balkrishna Sharma.]

Inchcape Committee—and they suggested certain developments in the actual running and repairing of the locomotives The Raven Committee by its suggestion reduced the time of engines under repairs As a matter of fact by the adoption of the Raven Committee recommendation a considerable amount of time was saved for engines under repairs Then came the Pope Committee which suggested that all the locomotives should be pooled and they also suggested a method for the better utilisation of the locomotive power in the country And then came the electrification scheme of Bombay All these factors led to a surplus of locomotives in this country and this was also one of the reasons which prevented the Railway Board from proceeding with the scheme of manufacturing locomotives in this country

I have calculated the cost which this country had to pay for buying locomotives up to this time. As I said, more than 7,000 locomotives are on the line, this includes metre gauge, broad gauge and narrow gauge locomotives If 70 to 80 thousand rupees per locomotive were to be considered as the cost, then our country has paid in the neighbourhood of 70 crores of rupees during the last 40 years to outsiders by purchasing the locomotives abroad But now the question before us is whether we can establish a locomotive workshop From the reports that we have received from experts on this question, if we take into consideration the minimum average demand of our railways, then up to the year 1975 we will require locomotives in the neighbourhood of 108 broad gauge and 38 metre gauge every year This is one basis of calculation Another basis of calculation is on the existing equipment and the average requirements of our country on this basis will be 197 broad gauge, 85 metre gauge and about 10 narrow gauge locomotives On the basis of daily use, again, it has been calculated that somewhere in the neighbourhood of about 90 broad gauge, 40 metre gauge and 4 narrow gauge locomotives will be required

The specific purpose with which I have moved this cut motion is regarding the new shop which we are going to erect at Kanchrapara, about 26 miles from Calcutta, About this Kanchrapara scheme the experts have given their opinions from time to time in such a way that a layman like myself has become very nervous At first it was calculated that the scheme at Kanchrapara will not cost more than Rs 87 46 lakhs all-told Again the calculation was made Some other experts went into action and they came out with a sort of a revised estimate which actually went up to 255 lakhs Then all this was scrapped A third estimate was brought before us and that amounted to about Rs 4,21,00,000 Then another scheme came before us which went up to Rs 6,45,00,000 And then a fourth scheme came which raised the expenditure up to Rs 12 crores which the Railway Board brought down to Rs 11 4 crores That is the present demand Now, Sir, I feel that there is some sort of muddle there At least I am not satisfied as to whether all these various schemes, these three or four schemes, and the expenditure mounting up by leaps and bounds, are all quite sound I am afraid they are not and I will therefore ask the Railway Member to look into the scheme before launching it I know it is high time that our country should be self-sufficient in respect of locomotives and should not depend upon any other country, that we should free ourselves of the tantacles of the international market I know that At the same time the various schemes that have been brought before us are such that it leaves me rather sceptic about the new scheme. In this maze of schemes and counter-schemes and counter-schemes and conversion schemes and independent Locomotive Building Schemes and in this spiral of raising estimates from 87 46 lakhs to 11 4 crores, a man like me simply gets lost. I would therefore request the Honourable the Minister for Transport to be good enough to take into consideration the suggestion whether all these schemes cannot be scrapped and a new scheme costing much less could not be taken in hand

For instance, the report which was presented to the Railway Board by Messrs Humphries and Srinivasan clearly says one thing

"It may therefore be taken as established" they say 'that there are no difficulties of a mechanical or other technical nature standing in the way of Indian railways manufacturing their own locomotives in India In fact, the Bombay, Baroda and Central India Railway workshops at Ajmer design the locomotives they manufacture and turn out a finished product which compares quite favourably in regard to its service capacity and running, with the imported article"

If this is so, then I can't understand the reason why the Honourable Col Emerson, the Chief Commissioner for Railways said in the Upper House that this Ajmer scheme is to be scrapped They have been manufacturing locomotives already If you want a little improvement, you can effect it But to scrap the whole thing is a proposal for which I have not been able to understand the reason

I similarly have not been able to understand why this workshop should be located at Kanchrapara

As has been pointed out here and in the Upper House, Kanchrapara is nearer to the sea and so is within the bombing distance Moreover the raw materials are not available there Coal is not there There are other things also For instance steel is not available nearabout Therefore, if this scheme is abandoned and if, according to the recommendations of the Humphries-Srinivasan Report, we adopt a scheme of having our workshop at Jamalpur I think it would be much better

In their Report, Messrs Humphries and Srinivasan say

"The existing locomotive shops at Jamalpur have been rebuilt almost completely after the Bihar earthquake of 1934 Their lay out does not allow of the pooling of repairs and manufacture of locomotives into a *composite* shop, and for the reasons we have indicated earlier in the Report, we favour the alternative of building the new shops as a separate unit to that of mixing up repairs and manufacture under one roof"

This Kanchrapara scheme also is designed with the same end in view The cost that has been given by the experts, Messrs Humphries and Srinivasan does not amount to more than Rs 108 73 lakhs for the Jamalpur Shop Therefore I very humbly will suggest to the Honourable the Railway Member that instead of getting the shop established at Kanchrapara, if he can persuade the Railway Board to bring it to Jamalpur and thereby reduce the cost also from 11 4 crores to only Rs 1 crore and 8 73 lakhs then I hope the purpose will be amply served

Sir, with these words I move that a cut of Rs 100 be effected in this demand

Mr President: Cut motion moved

"That the demand under the head 'Open Line Works—Additions' be reduced by Rs 100

Sardar Surjit Singh Majithia (Punjab Landholders) Mr President, Sir, I rise to support the cut motion so ably moved by my Honourable friend Shri Balkrishna Sharma Railways in this world have played a great part in developing any country industrially or economically or educationally They play a very great part in the development of a country My friend Sharmaji stated that we could not take up the manufacture of locomotives I would go a step further and say, not that we could not take up the manufacture, but rather we were not encouraged, or definitely discouraged, to manufacture locomotives in this part of the country The reason is not far to seek For, if this country started the manufacture of locomotives and other rolling stock, the orders—or may I call the fat orders—which the British or the Western part of the world got would not have been taken, with the result that all their Indian capital which could have been used in this country for the benefit of this country alone, was taken out for the benefit of another power, which was so typical of them

Sir, I would take the House to the year 1945 when the then Honourable Member for Railways while presenting the Railway Budget for that year said that plans were being finalised for the workshop at Kanchrapara Next year, that is

[Sardar Surjit Singh Majithia]

in the year 1946, the Railway Member was absolutely silent on this point This clearly showed that the remarks made in 1945 were merely an eyewash

[At this stage, Mr President vacated the Chair which was then occupied by Mr Chairman (Shrimati Ammu Swaminadhan)]

It is most gratifying that the Railway Member of our National Government has gone a step further and he has presented this year definite figures and plans for the Kanchrapara workshop In order to meet the demands of a country which is rapidly being industrialised or rather will be industrialised, with our Government at the head, Railways will have to play an important part in the development of the country If you see the figures, the figure of railway traffic and the travelling public has increased three-fold To overcome the overcrowding we shall have to put into service about three times the trains that are running at the moment This necessarily means that we will have to get hold of more wagons, more coaches and more engines If we were to follow the policy followed by the predecessors of the present Government, then it will mean that capital which is about three times as much as has already been invested in foreign countries will have to be invested again and the money will go out of India and I am sure that our Government will try to prevent that money from going into other hands As I have said, we would require a lot more of locomotives and this takes us to the other problem and that is the scarcity of coal It is most gratifying to note that our Railway Member is already thinking of the diesel electric and electric locomotives I would say that the Railway Member should give the first priority to these new types of locomotive power and whereas he is already going ahead with the production of steam locomotives he should start or rather in any case assure us that the production of diesel electric engines or electric engines will be started in this country in the very near future This would help us to get over the coal shortage This is more necessary from another point of view also and that is, that with the increasing industrial development of this country the industries are going to take up quite a lot of coal and if the Railways have to run and the industries have to flourish they have to be competing with each other for getting hold of their coal and it is therefore more necessary that the railways which have been established should take to the other form of power and try to get hold of the locomotion power from other sources than coal I can say it definitely that the railways will not be the losers They should pioneer, encourage and take the lead in encouraging the industrial development of this country, for with the development of the country you will raise the earning power of the public or the ordinary man Thereby they will be able to pay higher price for the transport used, which the Honourable Member wants us to pay With these words I strongly support the cut motion moved by my friend Mr Sharma

3 P M

Dr. Zia Uddin Ahmad: Sir, ...

An Honourable Member: Madam!

Dr. Zia Uddin Ahmad: Sir, I think it is a matter of congratulation to the Members of the Assembly that its proceedings should for the first time be presided over by a lady member of this House I had the same difficulty in the University of Aligarh, about using Bachelor also to male and female students

Now, as regards the cut motion, when reading the cut motion, I was under the impression that we will discuss the paucity of rolling stock and not the question as to where the workshop should be located, as my friend the Mover of the cut motion ultimately concentrated in the end I thought it was really a thing admitted by everybody that we are short of rolling stock and any attempt that can be made to manufacture in this country may be absolutely impossible and we have to import from outside and increase our rolling stock to the greatest capacity There is no need to comment on this issue As regards the location of

the locomotive workshop, you cannot manufacture metre gauge and broad gauge engines at the same workshop One workshop to manufacture the locomotives for metre gauge at Ajmer may not meet all our requirements and of metre gauge lines and to overload it with the manufacture of broad gauge is not an economic proposition This question was really closed some time ago

As regards the other point as to where it should be located I understand this question was thoroughly discussed by the Standing Finance Committee where our representatives, I notice from the report, unanimously accepted the location of the site for the manufacture of locomotives for broad gauge Some years ago we considered the possibility of Jamalpur It was given up because it was not convenient to combine the construction of locomotive with repair work Jamalpur is a well organised institution and it really caters for the entire repair work and construction work is also done there But to overload it now for the construction of new locomotives is not a sound economic proposition I had thought that Jamalpur had been given up long ago for the location of factory for manufacturing locomotives The other place which was considered in this connection and which was also discussed some years ago was Jamshedpur In this case also there are some difficulties In the first place, the difficulty is about land, which is not very easy to find there Then, it is not very easy to find labour also there The iron and steel industry is an expanding industry and if you locate other industries also there, labour will become more scarce and there may be unnecessary competition between the two Therefore this workshop ought to be located somewhere else I understood from Khan Mohammad Yamin Khan, who is a very enthusiastic member of the Railway Standing Finance Committee, that the Committee selected Kanchrapara for several reasons In the first place, there is plenty of land there The military had some land there and they have now given it up The second argument was that there is skilled labour also available in Kanchrapara The drawback of this place was pointed out by my Honourable friend Pandit Balkrishna Sharma that coal and iron are not there Now, it is very difficult to establish such factories at places where there are coal mines and iron mines They will have to be located at some convenient place and Kanchrapara is a place which is neither very far from the coal mines nor from Jamshedpur, which manufactures various iron and steel things This factory will not need the iron ore They will need the manufactured product of iron which will probably be manufactured to a large extent at Jamshedpur and it can also be imported from outside They will also require steel of a very high quality which probably India cannot produce at present Taking all these points into consideration, I think that Kanchrapara which has been selected is the best place from economic consideration In a matter like this it is not desirable that we should be swayed by political considerations But if we look at this problem from a political point of view, then I would not like that Bihar should monopolise all the industries merely on the ground that they can produce coal If the argument was that we ought to place every industry at a place where there is coal and iron, then all the industries in India will have to be concentrated in the province of Bihar But the Government would not accept this theory because, after all, you have also to consider the question as to how to supply these articles to the consumers That consideration should not be left out altogether We should look at this question only from the point of view of economic consideration and the practicability of getting the best product out of the materials, because whatever we produce there will not be the property of a particular province but it will be the property of the Central Government, as transport is already a Central subject and not a transferred subject I admit that I have not been in touch with the most recent arguments as I was not a member of the Railway Standing Finance Committee, but from the conversation that I have had with Khan Mohammad Yamin Khan I understood that from the economic point of view this place is the best. This argument has appealed to me and I support the decision taken by the Railway Standing Finance Committee

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa Muhammadan) Sir, I am really surprised at the attitude which the Honourable Mover has taken on this cut motion I thought that his purpose in moving this cut motion was probably different from what he actually said on the floor of the House Unfortunately, I was myself not present in the House when he spoke but that is what I have been given to understand With regard to the workshop at Kanchrapara, he said that it was not a suitable site I would only say in this connection that this question was not even brought by the Honourable Member himself before the Railway Standing Finance Committee nor did any Member of his party say that this was not a suitable site This after-thought is probably the result of certain political considerations which he might have had himself and which might have been given to him by some other persons I would only say this that Kanchrapara as a workshop has proved more successful than any other workshop so far He has probably laid stress on Ajmer, but he does not realise that the Ajmer workshop was, in the first place, made for preparing locomotives Even that they have not been able to do successfully to a reasonable extent The handicaps of Ajmer were probably realised by the B B and C I officials, but they had no other alternative The position of the Railway Board is quite different It is not a question of a particular locality, but it is a question of the most suitable site in the whole of the country. He said that we would need coal and iron and the vicinity of these things would be an advantageous factor Ajmer is more devoid of iron and coal than Kanchrapara by any means

Pandit Balkrishna Sharma: On a point of personal explanation May I inform the Honourable Member that, as a matter of fact, I did not refer to Ajmer in preference to Kanchrapara I only said that I was in favour of Jamalpur in view of the cost, which was 108 lakhs as compared to 11 crores at Kanchrapara That was what I said

(At this stage, Mr President resumed the Chair)

Mr. Muhammad Nauman: I stand corrected in that sense I thought he had first preferred Ajmer and that is why I was developing my argument on those lines

Now, about Jamalpur, which is part of the province to which I have the honour to belong Probably nobody would have been happier than myself if that were a really suitable place What we have seen of Jamalpur workshop so far is that it has not been able to work even on that limited scale at which it was organised The financial consideration which my friend has just mentioned by correcting himself is not of much importance in this way that we did examine all the financial aspects and our decision was arrived at after careful consideration of the financial aspects as a whole I do not suppose I have got the time to go into the financial aspect of this scheme because it would require reference to a lot of books and statements issued by the Railway Board But I think the Railway Board took the necessary steps and made necessary enquiries in this connection and they arrived at the decision that no better place than Kanchrapara could be found suitable and that it was preferable to Jamalpur Jamalpur is a small place It is farther away from a Port than Kanchrapara Kanchrapara has the great advantage of being nearer a Port for such imports as may be necessary even when we manufacture locomotives on a bigger scale Moreover we have sunk a large sum of money on the workshop at Kancharapara and it would be sheer waste of public expenditure now to think of changing the place

The next point which I should like to impress is the question of availability of labour In Kanchrapara there is a greater chance of getting labour than at Jamalpur Perhaps the Honourable Member did not realise that there is no other part in Bihar which is more thinly populated than Jamalpur side The

particular class of labour which is required for the workshops will not be available unless you import them to Jamalpur from other parts of Bihar or from Bengal, whereas in Kanchrapara which is in a densely populated area,—infact, it is more densely populated than any other area—there is no difficulty of labour at all That is also a great factor in choosing the site where labour will be available for our purpose I will not dilate on the question of coal, iron and manganese They have to be transported in any case whether the workshop is located at Kanchrapara or Jamalpur In the case of Jamalpur these products have to be imported from the vicinity, whereas in the case of Kanchrapara, it may be that these products have to come from a farther vicinity That is the only difference Under these conditions, I find there is no reason why any idea should be entertained in this House about changing the site for manufacture of locomotives The Standing Finance Committee has already approved this proposal This issue was not raised in the Standing Finance Committee The Railway Board after a full consideration of all the pros and cons have decided in favour of Kanchrapara and I hope the Honourable Mover of this Cut Motion will no more insist on a change of the location of the workshop and I hope he would agree to the decision already arrived at With these remarks, I resume my seat

Khan Mohammad Yamin Khan (Agra Division Muhammadan Rural) Sir, this subject of manufacture of locomotives, wagons and coaches has been engaging the attention of this House for a long time past Many years ago when Sir Muhammad Zafrullah Khan was the Railway Member, I had brought this subject to the attention of the Railway Board Unfortunately Sir Muhammad Zafrullah Khan did not realise at that time what difficulties we would have to encounter My contention at that time was that if war broke out and since we depended at that time for our supply of locomotives from abroad, we might be put in a helpless position quite unable to meet the demands of the country At that time, my fears were pooh-poohed and brushed aside. They all dubbed me as a pessimist dreaming of war I was quite sure myself that war was bound to flare up soon because I knew the conditions in Europe in those years War did actually come and my prophecy was fulfilled much sooner than others expected The position in this country became very acute The country was called upon to tackle increased transport problem with the limited stocks of locomotives and wagons at our disposal with the result that the situation became very alarming Many of the locomotives and wagons were taken away by the military for defence purposes, and civilian trade was practically at a standstill In view of that situation, we pressed on the Railway Board to select a site for manufacture of locomotives The idea at that time was to choose Lahore for the location of the workshop There was a great scope for cheap labour in Lahore and we thought that Lahore being nearer the home town of Sir Muhammad Zafrullah Khan, that site would be chosen All appeals from this House did not make any effect on the mind of the Government, constituted as it was at that time Year after year we went on pressing on the Government the desirability of making a start with the manufacture of locomotives in India In the Railway Standing Finance Committee also we had been asking the Government to start manufacture of locomotives We went on pressing on the Government, but with no effect, until at last, the Government themselves woke up to the difficulties of the situation and realised that it was no longer safe to leave things to drift The Government also agreed that it was necessary to manufacture locomotives in larger numbers in this country There was the Ajmer workshop which had just started manufacturing locomotives They had a lot of work besides and so the Ajmer workshop could manufacture only a few locomotives which were not at all sufficient for the country (*Interruption*) I know this They could not cope with the demand at that time Now, when the war actually started, this workshop at Ajmer was only able to supply some locomotives for the metre gauge lines and

[Khan Mohammad Yamin Khan]

this work too had to be stopped because they were entrusted with more important work connected with the prosecution of war So even the small amount of work in the shape of manufacture of locomotives which Ajmer workshop was able to do had to be curtailed greatly Moreover locomotives had to be exported from India to Middle East and the result was that we were left only with few locomotives on metre gauge lines These metre gauge lines suffered greatly After a good deal of persuasion, the Railway Board agreed to start this scheme in Kanchrapara At that time I did not want to raise a controversy over the selection of the site for the location of the workshop because that would take us to somewhere in no man's land Because if we raised this question provincial controversies would creep in and every province would want it to be located within its own boundaries Instead of doing any good that would only divide the people, and so we left it entirely to the wisdom of the experts of the Railway Board to select the site they thought best They selected Kanchrapara and came before us with a scheme to which we in the Finance Committee after long examination and deliberation gave our consent Of course that scheme differed from the present scheme First of all we did not think of making so many locomotives as we intend to do now It was the idea that Kanchrapara which was to be mixed up with the existing workshop would make only a few locomotives and then expand, but now we do not want to proceed piecemeal but we want something which will meet all our requirements So now we have this scheme which will give us 150 locomotives every year The scheme is very good for India and although I do not like contracts being given without tenders and the committee also was strongly of the view that this must not be done, we had no other alternative because the scheme would otherwise be delayed by ten months, which would be required for specifications to be prepared on which tenders for the workshop could be invited We did not like this postponement which would keep us dependent on foreign imports and so we agreed The only point of difference between us and the Railway Board was as to how the contract should be given, there was no dispute about location or its formation We examined the thing thoroughly with the help of the Railway Board, and it must be said to the credit of the Honourable Mr Asaf Ali that along with non-official members he was very keen on putting the scheme through at once But our differences remained as they were, though there was a sort of compromise The Committee after long deliberation decided not to say anything against location at the place where after long persuasion we had succeeded in getting it We did not examine it further because these things give rise to all sorts of conflicts Lahore had a long standing claim and it had better facilities than other places except Kanchrapara We also examined the claims of Jamalpur but did not find it feasible For instance, we considered whether coal and iron would be available, Kanchrapara is not very far from the coalfields But steel also is required, and that can be supplied only by Tata's who would build their own locomotives So we cannot purchse only from Tata's and no one else, and even for building our workshop we have to depend on foreign markets for steel If we want to build it only with Indian products that would take two or three years which means that 300 or 400 locomotives would have to be purchased from abroad A workshop must be run economically, which is only possible if we manufacture in large quantities Our engines at present are out of date, most of them have run their life which is 35 years, and in the last five or six years we have not replaced any of them We are getting some now but not in the quantities that we require So even at a higher cost we have to buy from abroad, and I do not know how long these high prices will continue, there is no sign of their coming down in the next three or four years So after all this deliberation in the House for more than 12 years, postponement now and starting from the very beginning will do no good to the country

I do not think much of the argument of vulnerability of Calcutta from the air Nowadays every place is vulnerable, and in case of an air attack from Burma side Calcutta and Jamalpur are equally open to attack, and two or three hundred miles make no difference In the same way, as regards coal if it can be taken from the coalfields to Jamalpur it can be taken to Kanchrapara also As regards steel I have said that we have to depend on foreign markets for a long time and it is easier to get it in the Calcutta port than in the interior I would have heartily supported this if Government had given any consideration to it in 1935 and 1936 when I pressed for it before the Honourable Sir Zafrullah Khan who, however, did not like my ideas Therefore I think it would not be advisable to start this controversy of location again or to postpone it after all these long deliberations on this question Whether it is located at Lahore, or at Ajmer, or at Kanchrapara is to my mind a trifling matter as long as it is in India What is important is that we must have locomotives manufactured in India Now that a decision has been taken that it should be located at Kanchrapara, let it be there, although I would have preferred Lahore Ajmer is also a suitable place, but there are many difficulties there land, water, coal and supply of steel These difficulties are much more acute there than at Kanchrapara All the Honourable Members who have seen the Ajmer workshops know how it is situated and whether there is any scope of its expansion Personally I do not think there is any big scope Sir, I would not like this question to be reopened Let us leave it to the experts to choose the site, but let us insist that it should be done as economically as possible Taxpayers' money should not be spent unnecessarily, and we should manufacture locomotives as early as possible

Sir, these are my views I do not wish to go into details of what happened in the Committee because you will not permit me to do so, but I have given the conclusions at which the Committee arrived and that is a public property

Diwan Chaman Lall (West Punjab Non-Muhammadan) Proceedings are not confidential Proceedings of Select Committees are but not of Standing Committees

Khan Mohammad Yamin Khan The proceedings of the Select Committee are confidential I have only narrated the conclusions arrived at which are available to this House, I have not revealed the talks which took place in the Committee

After all that has happened, I thought that this House would unanimously accept that contract should be given by calling tenders and not by negotiation I gathered that the Parties were determined to press this point, but later on some assurances were given as a result of which cut motions were withdrawn It was stated that as far as quarters and other construction work is concerned for which contract is to be given to ten people, sufficient time would be given in inviting tenders I now hear—I am not sure of course because I am not a contractor and I do not know these things—that insufficient time has been given, and if it is so I hope the Honourable Member will see to it that the date is extended As the Honourable Member knows, the idea in the minds of the Members of the Committee, who represent this whole House, was that tenders should be invited, that the contract should not be given to one firm which happens to know everything beforehand, and that the contract should be split up so that the work may be executed properly and expeditiously No favouritism should be shown to anybody and everybody should have the freedom to give a tender for this work; of course the cheapest tender should be accepted That should be the criterion and that is to which I stick and I press

Pandit Mukut Bihari Lal Bhargava (Ajmer-Merwara General) Sir, I rise to support the motion moved by my Honourable friend, Pandit Balkrishna Sharma I think I shall be failing in my duty if I do not express my sentiments on this question because so much has been said about Ajmer by all sections of the House I submit that it is a question of such supreme importance that it must be judged on its own merits without bringing in provincialism or communalism As every Member who has expressed his sentiments has said, we must abide by the opinion of the experts on the point as to which place would be most suitable for the location of this important industry which I submit is most valuable for the financial stability of our railway system, which is so important in our national life

So far as Ajmer is concerned, I admit the only disadvantage that it has got is that it is a small place and the province in which it is situated is more or less a district Otherwise judging from every point of view, Ajmer has the first claim to this industry It is Ajmer which right from 1895 to 1940 has been the sole locomotive manufacturing centre in India So far as experts' opinion is concerned, the latest available report is by Humphries and Srinivasan which was written in 1940, and so far as Ajmer is concerned it says that the locomotives produced at Ajmer, numbering 435 have been of a very good quality and they compare well with foreign manufactures The report of course says that the production of locomotives at Ajmer is slightly uneconomic, but the reason given by the expert committee is that it is due to the production being on a very small scale They have said that if production is increased, and if the factory is reorganized and run on more scientific lines, it will not be a losing concern Therefore, the first question on which I would like to invite the attention of the Honourable the Railway Member is that he should not approach this question with a biased mind He should not proceed on the data that has already been worked out before him, but he should keep his mind open on this question and should consider the question entirely on its merits It has been said that Ajmer is a very congested place, that there is scarcity of water But I respectfully submit that there is no truth in this argument If the Honourable the Railway Member personally proceeds to the site he will be glad to find that there is ample accommodation available for the railway company itself and apart from that, there is a lot of land which can be easily acquired in case this is necessary So far as the scarcity of water is concerned, I respectfully submit that this industry has been working there for such a long time and yet the scarcity of water has never been felt Of course with tube wells and other mechanical devices whatever little scarcity there is will be met It has been argued that it is not situated near coal and iron and therefore it is at a disadvantage My respectful submission in this connection is that it is a preposterous proposition to argue in modern times that every industry, or every centre of industry must be located in the vicinity of coal and steel In fact, Ajmer, as I have already said has been manufacturing metre gauge type of locomotives for a long period, and if this has not stood in its way so far why should it be taken as a disadvantage for the future Similarly, if it is an argument for preferring Jamalpur as against Kanchrapara or *vice versa*, then Sir, a little distance will matter

We have also in view that the Central Provinces have sources of iron ore and coal which are still undeveloped and I am informed that the Planning Advisory Board has already recommended that these sources in the Central Provinces should be tapped and if this is done the situation in Ajmer so far as coal and iron is concerned will be eased Therefore, Ajmer has a good case It has the oldest claim Moreover in wartime the Ajmer factory, which had till then only manufactured metre gauge locomotives, was called upon to manufacture broad gauge locomotives, owing to war necessities and by 1946 not less than ten locomotives were manufactured and they are running satisfactorily Similarly, this year there are ten locomotives for the broad gauge in

hand besides metre guage locomotives Then the argument that it is uneconomical to manufacture locomotives in Ajmer is controverted by the fact that the B B & C I Railway was not a State-owned railway in the beginning It was a Company-owned railway and still the B B & C I Railway company which had no particular love for developing Indian industry manufactured from 1895 its own locomotives in the Ajmer workshop so much so that it went before Parliament and sought permission that it may be allowed to manufacture locomotives not only for its own use but also for the use of other companies that were in need That showed that that company was economically manufacturing locomotives and was making profit Therefore my submission is that even if you stick to the experts' report it holds that the Ajmer workshop should be continued notwithstanding the proposal that Kanchrapara be developed The argument of the experts is that it is absolutely necessary in case of a key industry of this kind that there should be another supplementary workshop which may be relied upon in days of necessity and urgency my submission to the Honourable the Railway Member is that even if he comes to the conclusion that the main State workshops are to be located in Kanchrapara or somewhere else, there is no justice in stopping the manufacture work at Ajmer I was surprised to find in the speech of the Honourable the Chief Commissioner of Railways in the Upper House that it is boasted for the first time that the Ajmer workshops is being run uneconomically, suggesting by implication that they are thinking of closing it down I must protest against this It will be doing a great injustice to Ajmer In fact it will be penalising Ajmer for the very object for which it has been the sole custodian of this industry for such a long time

Coming to the next point, and which is very important, it is about Kanchrapara This report recommended that the present repair workshop at Kanchrapara must be converted into a manufacturing workshop The experts had three alternatives before them whether they should recommend Jamalpur, or whether they should recommend the conversion of this workshop into a manufacturing workshop at Kanchrapara or whether they should suggest an absolutely new site for the making of this new workshop Their recommendation is positive on the point Both on technical as well as on financial grounds, they suggested that the conversion of the Kanchrapara repair workshop into a manufacturing workshop is the only sound proposition They ruled out the other alternative of locating the factory at any place other than Kanchrapara In this report they came to the conclusion and made an estimate and their recommendation was that the repair workshop at Kanchrapara could be converted into a workshop producing 80 locomotives per year at a very moderate cost of Rs 46 47 lakhs Then, Sir, they considered the other alternative, whether it was necessary or economically or technically correct to start this workshop at a different site and their finding was that it was most uneconomical as they estimated that it would cost at least over Rs 2 crores for a plant producing the same number of locomotives Therefore they urged the Government that even in war times they should forthwith implement the recommendation of that committee by converting the repair workshop into a manufacturing workshop Strangely enough though the recommendation was made in January 1940 no concrete step was taken by the Government In last year's budget speech of the Honourable the Railway Member, we were informed that the work of converting this repair workshop into a manufacturing workshop would proceed and we were told that sufficient progress had already been made towards that direction It is strange, and I am rather surprised to find, that this scheme of conversion about which the Railway Member in his last budget speech was absolutely positive has been overnight changed into locating a new site altogether If you refer to the proceedings of the Standing Finance Committee on Railways of December 1946, you will be pleased to find that in the memorandum that was presented to the Standing Committee it was pointed

[Pandit Mukut Bihari Lal Bhargava]

out that conversion of this repair workshop into a manufacturing workshop would cost the railways not more than Rs 1½ crores, and still we find that instead of adhering to that scheme a new scheme, costing no less than Rs. 11 4 crores, working with single shifts, and Rs 13 7 crores with double shifts has been made out The question has to be examined carefully If the experts opinion is to be adhered to, if their opinion is entitled to be heard, the question arises and the public has suspicion on the point Why should the railway authorities bid farewell to this conversion scheme over night and adopt such a costly scheme of Rs 11 4 crores and adhere to this? My respectful submission therefore is that the Honourable the Railway Member should consider the question on its merits with an open mind When we are going to locate a key industry of such supreme importance at a particular spot, we have to think of the larger interests of the country We do not know who may be our enemies tomorrow and if air bombing has to be faced, will it be safe to locate a key industry at one centre and that too in the eastern most corner of India, which is vulnerable and is accessible to air bombing and invasion by sea? Sir, sagacity and wisdom demand that such a key industry should not be concentrated at one centre but should be spread in different parts and the safest way is to locate the industry in the heart of India, either at Ajmer or in the Central Provinces Of course it has been suggested that even Ajmer is open to air raid but our anti-aircraft defences have greater chances to check such air raids if industry is located in Ajmer In the Central Provinces it will be almost impossible for enemy aircraft to bomb My submission therefore is that even if the Railway Member adheres to this expensive scheme of 11 4 crores, at any rate the claim of Ajmer for being the site should not be ruled out It should be considered and I think it deserves sympathy at the hands of the Honourable Member

4 P.M

The Honourable Dr John Matthai: Sir, my Honourable friend the Mover started his speech with a brief history of the manufacture of locomotives in India As he rightly pointed out this is a matter which has a fairly long history, going back to somewhere about 1921 I am not concerned to defend the policy of the Government of India 26 years ago in the matter of promoting the manufacture of locomotives But if it is suggested that the failure of the Peninsular Locomotive Company at that time was an indication that it was not possible to manufacture locomotives in India economically, then I am bound to point out that the reasons for the failure of the Peninsular Locomotive Company were of a somewhat special kind

In the locomotive industry as in other industries you cannot work economically unless you can be assured a certain minimum output The Peninsular Locomotive works were designed for handling the manufacture of locomotives of a certain magnitude, but a few years after the Company was promoted the estimated requirements of the Railway Board had to be altered so substantially that the output on which the Peninsular Locomotive Company had counted dwindled considerably I do not say that there were not other circumstances but this I believe was one of the most important circumstances that led to the failure of the Peninsular Locomotive Company

As far as the present position is concerned, I think we have now reached a stage, when it is possible for us to say that practically all the immediate requirements of the Indian railways in respect of locomotives would be met by indigenous manufacture If you take the requirements of Indian railways in respect of replacements over the next 15 years, you will find that the capacity which has been provided for the two Indian factories would be sufficient to meet these requirements. If, however, it is found that the railways have to undertake a large development of their lines, and, expand the existing railway mileage, we would need more locomotives than we can at present provide But so far as our requirements over a period of 15 years are concerned, there is sufficient capacity

in the country now to meet them. The two most important workshops, as the House knows, are the proposed Kanchrapara Works and the Singhbhum Workshop near Tatanagar One has a capacity of 120 to 150 locomotives and the other has a capacity of 50 locomotives with 50 spare boilers in each case and between the two I think we should be able to meet all immediate requirements

The most important point which has been raised in the debate is whether we are right in locating the Government works at Kanchrapara This scheme has a chequered history as the Honourable the Mover pointed out I came into the consideration of this problem with a perfectly open mind None of the previous decisions on this subject was I in any way concerned with, so that I can claim that when I took charge of the department and had to apply my mind to this problem and come to a decision on it, I could do so without the handicap of any past commitments Personally I feel, having given the matter such thought as I am capable of, that the location of these works at Kanchrapara is justified and must stand Anybody who has had experience of the very difficult problem of fixing the location for a new industry will know that it is not by any means an easy matter to come to a decision on I am not surprised that in regard to the location of the locomotive Works at Kanchrapara there should be such wide difference of opinion But I have examined the main factors upon which the decision with regard to Kanchrapara was taken and I feel, with such lay knowledge as I have of these matters, that on the whole there are good grounds for thinking that Kanchrapara is a suitable location for these works As regards skilled labour, supervision, water, availability of land, electricity, nearness to Calcutta which is the headquarters of three big railway systems, all these, I think, are considerations which point to the fact that Kanchrapara would not, at any rate, prove an unsuitable location The question has been gone into very thoroughly by our technical advisers The matter was placed before the Standing Finance Committee They have also approved of it, and my predecessor Mr Asaf Ali gave his best thought to the matter He also accepted the scheme I myself think that the considerations which have been applied to this problem are sound and therefore as far as I am concerned I see no reason for varying this decision

In connection with Kanchrapara the question has been raised whether the proposed capital expenditure of Rs 11½ crores is not excessive, particularly if you compare that estimate with the original estimates which had been framed for this scheme That is also a matter that I have gone into in some detail It is perfectly true that there is a very considerable margin between the estimates contained in the Humphries-Srinivasan Report and the present estimate I must point out with reference to the Humphries-Srinivasan Report that it is a very competent report and a report which has afforded a great deal of stimulus to the encouragement of the locomotive industry in India In spite of that I feel that in the main the Humphries-Srinivasan Report must be looked upon in the nature of blue-print, a good-blue-print But it is nevertheless a blue-print and not a detailed scheme based upon careful technical scrutiny which of course it was not possible for them to carry out in the circumstances in which they worked Having said that I must point out that the difference between the original estimate in the Humphries-Srinivasan Report and the present estimate can be accounted for with reference to four factors The first is that, for good reasons, it has been decided that the manufacturing shop and the repairing shop at Kanchrapara cannot very well be combined That I think, is a matter which would receive the approval of people who have experience of industrial undertakings of this kind It is not as a rule an economical thing to combine two operations of this kind in the same shop But once it is accepted that manufacture should be done in an independent shop, it puts the whole question of costs on a different footing There is secondly the factor that in the original scheme there was no provision for staff quarters on the scale that we consider now necessary Thirdly the capacity for which the

[Dr John Matthai]

Humphries-Srinivasan Report made estimates was considerably less than the capacity on which we are at present proceeding. Above all, there is the big factor, that the level of prices in 1940 when the Report was published was very different from the level of prices on which we have got to make our purchases and fix our arrangements Taking all these matters into consideration it is not surprising that the estimates of cost have gone up I do not want to suggest that we have reached finality with regard to this figure of Rs 11½ crores, but it is the best provisional estimate that we can make at present As a matter of fact you will have seen from the papers that we have circulated that the experts' estimate of over Rs 12 crores has been worked down by the Railway Board to Rs 11½ crores It is possible later on that we may be able to work it down a little more But Rs 11½ crores for a works of this kind at the present level of prices would, I think personally, be justified

My Honourable friend the Sardar Saheb raised the question of electrification with reference to the manufacture of locomotives, the point being that if we are going in for electrification on a large scale the kind of steam locomotives that we are proposing to manufacture might be found unsuitable My answer to that is that as far forward as we can see in the near future it is not likely that the demand for electric locomotives would be such as to render superfluous any of the locomotives that we are proposing to manufacture at Kanchrapara and Singhbhum As the House knows, the estimate we have at present for electrification covers about 1,600 miles out of a total Indian railway mileage of 35,000 miles I do not think there is any serious danger of the Kanchrapara and Singhbhum works being rendered superfluous by increased electrification of railways

The Deputy President raised the question of tenders That is a question on which at present we have not come to a final decision That question is still open But I should like to give the House some idea of the arrangements which have been tentatively considered in regard to it When this matter first came up before the Standing Finance Committee then decision was to the effect that the works should be divided roughly into two parts As Honourable Members know, the total estimate is Rs 11½ crores Putting the thing roughly, you might say about Rs 3 crores or a little more than Rs 3 crores would represent the cost of the machinery That would leave you with about Rs 8 crores Out of that Rs 8 crores, again speaking very roughly, Rs 4 crores would represent the cost of the workshop and the ancillary services, and the other Rs 4 crores would represent the cost of the colony, the staff and labour quarters The arrangement that has been provisionally considered is that the workshop and the ancillary services should be given to one contractor because in constructing a workshop it is a matter of importance that it should be properly co-ordinated

Khan Mohammad Yamin Khan: May I interrupt if the Honourable Member will allow the indulgence? Of course the Honourable Member is fully aware that on this point to which the Honourable Member is referring, there was a divergence of opinion It still exists whether we have come to this conclusion or not—that is we have not agreed

The Honourable Dr. John Matthai: I will explain the point that the Honourable the Deputy President has raised As far as I am able to judge from the record or decisions arrived at by the Standing Finance Committee, the position roughly is that the workshop should be under one contractor, the idea being, as I said, that in the matter of the construction of such a complicated thing as a workshop, which is an integrated thing in which every factor has got to be co-ordinated with every other, it is important that the control should be a single control The idea that we have tentatively considered is that the workshop and the ancillary services—and by ancillary services I mean the roads, drainage, water supply, electricity etc—that these things should also be under the same

control as the workshop I know the Honourable the Deputy President takes a different view, namely that it is possible to separate the two—the construction of the actual shop would be in the hands of one contractor or engineer and the construction of these ancillary services would be in the hands of another

Khan Mohammad Yamin Khan: Several Electrification in the hands of one, roads in the hands of another, water supply in the hands of a third That was our decision

The Honourable Dr. John Matthai. The view that our expert advisers take is that in the matter of ancillary services connected with an engineering shop so complicated as a locomotive shop, it is necessary to consider the whole thing together as one integrated concern As far as the Colony is concerned, as the Deputy President himself mentioned, the idea is to divide it into ten lots and call for tenders The position with regard to the shop is that negotiations have been going on with an engineering firm for the construction of the whole shop Recently we issued advertisements regarding it and have received other applications in response to these advertisements There have been no tenders called for but there have been discussions with other parties who have responded to these advertisements The matter is still under discussion and examination We have not come to a final decision I am aware there is a great deal of feeling on this subject, and both the Railway Board and myself are keeping the question open for the time being We are going into this again and we shall see that the best possible arrangement, both with reference to the interests of the Indian engineering industry in the country and with reference to the public interest, would be made That, Sir, is as far as I can carry the matter at present I think I have covered most of the points that have been raised

Pandit Balkrishna Sharma. I beg leave of the House to withdraw my cut motion

The cut motion was by leave of the Assembly withdrawn

[At this stage Mr President vacated the Chair which was then occupied by Mr Deputy President (Khan Mohammad Yamin Khan)]

Policy of Rail-Road Co ordination

Shri Mohan Lal Saksena (Lucknow Division Non Muhammadan Rural) Sir, I move

"That the demand under the head 'Open Line Works—Additions' be reduced by Rs 100"

At the outset, I would like to congratulate the Honourable Transport Member on the admirable manner in which he has placed his view point on every question that has arisen in the House He has not only considered the non-official view points sympathetically but he has revealed a complete grasp of the questions he discussed That only shows, during the short time he has been in charge of the portfolio, how much hard work he must have put in to study the different problems Indeed, Sir, it is a matter of gratification for all of us in this House as well as the country to have a man of his versatile ability and varied experience at the helm of the biggest industry in the country during this transitional period Sir, I hope that the budget discussions this year will bear fruitful results and will be reflected in the working of the Railways during the ensuing year

Coming to the object of my motion, I do not want to go into the history of this question, for nobody is aware of it more than yourself Mr Deputy President how this question has come up before the House more than once During his speech, this year, the Honourable Member referred to it and said that in order to co-ordinate the various forms of transport a Board had been set up but there is no mention as to why no effort has been made towards financial participation in other forms of transport, although efforts have been made to bring about Rail-Road Co-ordination by forming tripartite companies or even by joining the schemes of nationalised transport in the provinces In his speech the Honourable

[Shri Mohan Lal Saksena]

Member has said that the Railway Department have also reviewed the subject and are convinced that co-ordination is essential to avoid wasteful competition, protect Government finances and provide better transport service for the public Therefore the object is three-fold and so far as we are concerned, we have to examine as to how far these three-fold objects are likely to be achieved On the question of Rail-Road co-ordination there is no difference of opinion in this House But the question remains how is it to be achieved The Honourable Transport Member has suggested two ways, firstly by promoting tripartite companies and secondly by participating in the nationalist transport schemes of the provinces

Now, Sir, as regards nationalisation, this question has recently been discussed on the floor of the House twice, once in regard to the nationalisation of the air services and again in regard to the nationalisation of the Reserve Bank On the last occasion, the Honourable Transport Member himself gave a learned discourse about the manner in which an industry is to be nationalised and I appeal to the Honourable Member to apply his mind, as a prudent business man, to the problem of Rail-Road co-ordination as well So far as nationalisation is concerned, we on this side of the House would welcome the nationalisation of road transport but the question is—when and how it is to be effected Is the object of nationalisation to be merely the transfer of the ownership from individuals to the State or is it the object of nationalisation to divert the profits from the pockets of the individual to the coffers of the State Are these the objects of nationalisation expected to serve some further ends? So far as I am aware the object of nationalisation is to be what capitalist enterprise cannot be and that is it should be a democratised service It should be a thing which should not only provide better goods and services cheaper and more efficient than what private enterprise has been providing but it should be something more In the provinces where schemes of nationalised provincial road transport have been formulated, we find that these schemes are to be worked by Boards of Transport composed of old officials who have had nothing to do with democracy that is by means of those very bureaucratic tools which according to our Leader, the Leader of the House, have been a legacy, which has been hampering the work of the Governments rather than helping So, my submission is this—that this is not the opportune time for nationalisation I believe nationalisation has to come, but the pre-requisite of success of all nationalisation is that there should be sufficient preparatory groundwork before an industry is nationalised There should be systematic and planned work and it should not be done piecemeal or in a haphazard manner Now, what do we find? So far as the present schemes of road-transport nationalisation are concerned, I think they are going to begin at the wrong end, we are certainty going to eliminate the individual road operator by these schemes But so far as the import business of motor buses is concerned, it will be still in the hands of private dealers The Government have got no workshops to build the bus bodies nor have they got any workshops for doing repair work So, I presume that that will have to be done by private-owned workshops and the bus bodies will have to be built by these private-owned workshops. Then, again, Sir, there is not the personnel that is required for running a nationalised service in order to provide greater and more efficient service to the public We know how the public is being inconvenienced so far as the railway transport is concerned We know that there is not only so much overcrowding but there are no adequate arrangements for providing them with proper amenities There was a discussion in this very House and we know that there is a lot of work to be done in that direction We know that corruption has not been controlled not to speak of its complete elimination We know that it is not possible even to supply printed tickets So, if we take up these provincial schemes of nationalised transport, I think we will be adding a great deal to our responsibilities We do not know whether we will be able to discharge those responsibilities properly because, for ought I know the Provincial Ministers have not had sufficient time to give carefulathought to the schemes that they have

undertaken I know from my own personal experience that no one scheme can be taken up and tried for the whole of the province What is desirable is that we must work out one or two or three schemes in a limited area and whichever succeeds should be taken up The Honourable Member stated that the Central Government is going to participate financially in these nationalised undertakings and I would like the Honourable Member to consider these schemes and approach them as a prudent man of business and then decide future course of action Not only that, I would also like to make one suggestion. Although it is said here that no money will be advanced unless the scheme is approved by the Railway Standing Finance Committee, I do not think it will serve our purpose Just as last year this House had appointed an *ad hoc* Committee to consider the whole question, there should be a Committee of the House to consider from time to time the various schemes which the Government approves and proposes to assist financially

Then, there is the question of the new lorries We know that Bombay will require about 4 crores worth of lorries if the whole road transport service in the province is nationalised, and if all the provinces were to nationalise the road transport services, it would amount to about 40 crores That means that at the very outset we will have to import so many chassies and that would mean using up so much of the sterling balances which are badly required for other capital goods My own idea is that the Government has already got a large number of buses which the Disposals Department have been trying to dispose to big businessmen It would have been much better if they had been fitted up and brought in working condition and then sold to the existing bus operators My own definite suggestion is that we must have a definite programme of nationalising the road transport, but not just now Let it begin, say, five years hence and let it compete in the following five years During these five years, I would like the Government to concentrate on the following

We know that we have just had a discussion about the manufacture of locomotives I would also like the government to concentrate on the manufacture of motor cars and motor buses in this country If they are not going to launch on that just now, at least they must have workshops in which they may be able to build the bodies Then, there is import trade of motor cars That should be nationalised We know from our own experience how the cars that have been coming to this country have been finding their way into the black markets The press has reported that some of the Ministers are involved in the large amount of profits that these motor import companies are making So the first step that the Government could take is to bring the import of these motor cars, motor buses and the accessories under its control Secondly, Sir, I would suggest that the Government should provide for workshops because during these five years it must have workshops not only for building the bodies of the buses but also for their repairs We know that the ordinary bus-owner, if he could get suitable facilities for necessary repairs could keep his bus in proper working condition Thirdly, I would like the Government to create efficient and trained personnel for the purpose of the running of the nationalised undertakings. We know that so far as the railway staff is concerned, even the Chief Commissioner has had to admit that they have been lacking in courtesy We know that there are lot of complaints against the dealings of the motor bus drivers and conductors So, what we would like in the meantime is that the work of training up the personnel should be taken up Fourthly, we would like that the State should organise State insurance for the third party risk We know that a large sum of money is made by the private insurance companies Why should they be allowed to make that profit? At least that form of insurance should be nationalised The State should organise the insurance of vehicles in respect of third party passengers and workers As a matter of fact, that is one of the suggestions in our note in the report of the Select Committee on the Motor Vehicles Bill. Fifthly, I would like the Government to collect and build up

[Shri Mohan Lal Saksena]

reliable statistics to assess the density of traffic and operational charges and to collect material for evolving rate structure in respect of fares and freights Sixthly, I would like the Government to build sheds for passengers and to provide other amenities There should also be sheds for taxis and motor vehicles Lastly it should regularise reliable road service So, there is sufficient work to be done during the next five years

As regards the profits, I know from the figures that we have got that during the last three years there have been several companies in which the Government has been interested financially They have not shown any profit. As a matter of fact, they have shown loss For instance, there are two companies in the Central Provinces which have suffered loss There is no company which had made any profit so far Then, Sir, if we can profit by the experience of other countries, we have the instance of the Nationalised Transport Company of Ireland It was nationalised some time in 1935 and till 1940, instead of making any profit, they had incurred a very heavy loss I was reading the Railway report for the year I find nowhere any statement to the effect that these companies had made any profit Only in one case I find where the Government has earned profit, but it adopted a very different system On page 30 of this Report, I find

"Passenger relief services were inaugurated between Bombay and Poona and also radiating from Poona to Nira, Lonand, Ahmednagar, Sholapur, Pandharpur, Baramati, Dhond, Loni, Kedgaon, Dehu road and Lonavala. These services were operated by contractors, the Relief Services Limited No financial commitments by the Railway were involved in this scheme The contractors pay a royalty of one anna per bus mile, if their average earnings per bus mile do not exceed annas twelve for three calendar months and annas 1½ if they do In return the Railway makes suitable arrangements for the comfortable booking of passengers, viz., the use of Railway waiting halls, the provision of booking and parking places, the use of railway weighing machines and where necessary, the use of railway communications, etc, The cost of publicity is borne by the Railway and in order to prevent leakage of revenue an efficient outdoor staff is maintained for checking the services The monthly royalty paid by the contractors works out on an average to Rs 10,000 approximately"

Sir, this is one of the methods in which you can help the existing enterprises as well as control them As I say, there should not be any ambiguity, there is no sanctity about the period being five years or three years, they must be warned that after a definite period of operation, all the existing road operators would go out and the whole business would be taken over by the Railways

Sir, in this short time it is not possible to make out all the points I hope the Honourable Member will consider this question and apply a fresh mind to it because I know that during the short time he could not have had sufficient time to examine it As a matter of fact regarding the Bombay scheme, several criticisms appeared I do not want to go into them in any detail I hope the Honourable Member will have some arrangement by which the wishes of the House expressed during last year's discussion and in the previous years will be given effect to Sir, I move

Mr. Deputy President: Cut Motion moved

"That the demand under the head 'Open Line Works—Additions' be reduced by Rs 100"

Capt. G. T. B. Harvey (Madras European) Sir, on Thursday last, the Honourable Member for Transport, replying to the day's debate on his Budget, said that the great Public Utility Service which the Railways had now become had to be treated very largely as a business concern must look for every possible cut in expenditure, devise new methods of obtaining revenue and where they could legitimately do so, put aside as much money as possible against a rainy day His present Budget was framed on those rather orthodox lines and as such received the approval of the Leader of this Group and of some others, though not of all others. One of this public utility concern's early activities would be to undertake certain extensions of the country's existing road mileage It is in these two particular aspects that I should like to occupy the attention of the House

for a moment It is perfectly patent that however wide-visioned and enterprising a Railway Authority may be, it can never hope to serve, by rail alone, or even with such auxiliaries as waterways and air routes, this huge sub-continent of people bent on establishing themselves as an up-to-date World Power, industrially, agriculturally and socially As an Honourable Member said, I think, on Saturday last, there must be thousands of villagers in India, who, even today, have never seen a metalled road, let alone a railway line It is quite certain that there is a large amount of potential and desirable intercourse, both business and social, in many tracts which the railways alone will never be able to cater

Now, since we are told that the Railways are to regard themselves as a business concern, I hope it will be considered pertinent if I ask what its mental attitude, permanent attitude, is to be towards that other form of transport which alone can open up the vast tracts still undeveloped in this country What policy will inform the Honourable Member for Transport and his officers in their contracts with the Finance Department and with the Central Transport Board which so far seems to have so little to show for its co ordinating labours Now, I feel that as in any business concern, capitalist or otherwise, competition is the breath of its nostrils, the official attitude of so large a single undertaking, all out for business, towards a competitor for public traffic, is a matter of high importance, so important that it might perhaps be made statutory Government's *power* to control, take shares in, even wholly to nationalise any public undertaking, any 'development' undertaking is not in question, though I listened with great interest to the Honourable Member's emphasis the other day on the great difficulties and dangers of nationalising very big interests all at once It is therefore not so much the power as the *right* to impede and handicap, under the urge of the competitive spirit, an activity so essential to the opening up of the country side as is the Road Transport After all it seems to me that an investment in Road Transport of 1½ crores can hardly be considered over generous My qualms in this respect are not due particularly to the Honourable Member's budget speech as to a draft of a Bill which is later to be introduced in this House and the Select Committee's report thereon Since that co-ordinating authority, the Central Transport Board must be cognisant of those findings it can hardly be considered irrelevant to mention them in a purely railway budget debate But it does definitely strike me that Road Transport activities are to be compassed about with so great a cloud of inhibitions, prohibitions and other stumbling blocks as to make one rather anxious lest the voice of the Railways was then, and may continue to be, rather loud and insistent

Take a single instance, a provincial Transport Authority, a servant of Government-in-competition-and, may be, a single individual—is apparently to be able to ordain not only what a motor vehicle may carry, what it may charge and how far it may travel, but whether it should run at all That local, and possibly lay authority is also able to reject proposals of responsible undertakings—and I may assure the House that there are in this country now many real experts in the science of road transport with foreign experience and highly enterprising purses to provide passenger or goods traffic for places which would definitely be the better off for those services, since the railways can never possibly reach them This House will remember a rather vivid anecdote in the Honourable Member's introduction to the budget I refer to that American story of how on a certain date only four hundred trucks were engaged on long distance haulage in America out of eight million trucks on the road I wish in a country on the verge of development such as we are we had eight million trucks on our roads, instead of seventy thousand, and we have a population twice as big I admit that that is not a very fair comparison because of course industrially America is at present far ahead, and also I am aware that railways pay for their own roads while Government pays for motor transport roads Nevertheless the suggestion that American railways are not afraid of the competition of eight million trucks seems to me definitely interesting I admit also that in the interests of, and for

[Capt G T B Harvey]

the safety of the public control of some sort is quite obviously necessary, it may have to be even rather elaborate control But I should very much like to be assured that Messrs Government & Co do not propose to use their over-riding powers too much in the competitive aspect to the detriment of Messrs X Transport & Co , where by so doing they must ensure to hundreds of villages and hamlets a further stretch of that inaccessibility and backwardness from which it is so desirable that they should escape I admit that my case may be partially supposititious In any case the principles and details of the Motor Vehicles Amendment Bill will be thrashed out here at another time All I am concerned with now is the genuine mental attitude of Government in the Railway Department towards that great desideratum,—the rapid opening up of this largely inaccessible land by means of road transport I therefore support the motion

Sri Jagannathdas (Balasore *cum* Sambalpur Non-Muhammadan) Sir, I support this motion moved by my Honourable friend Mr Saksena Everybody congratulated the Honourable Transport Member on his budget speech as representative of the national Government, but I congratulate him on his courage in anticipating the inevitable and presenting it to us He has burdened us with a responsibility which we are scarcely fit to bear He has to face here a hundred odd Members but we have to face hundreds and thousands of people outside This rail-road co-ordination I view from the point of view of employment, the railways which are now nationalised employ 9 lakhs of people of which the share of my poor province of Orissa is practically nil So in order to succeed in nationalisation the railways must inspire us with a pride of ownership, and what have the railways done to inspire us with that pride? It is 55 years ago that the first railway line was started from Calcutta to Puri, and conditions are still the same, without any improvement whatever Even a big junction station like Kharagpur has no shed over the platform Puri is a big pilgrim centre which attracts passengers every year from all over India, but the station has no shed over its platform In this year s budget we find so many surveys being started and almost all of them are in Orissa Up till now all these lines were not surveyed From my district of Sambalpur there is no direct line to Cuttack which is the capital of Orissa The journey by rail takes a day and a half whereas by bus it takes only seven or eight hours They are only now starting the survey of a line from Sambalpur to Khurda As regards the amenities for passengers, the behaviour of the railway employees, the comforts on the journey, etc , the less said the better If there be no competition the railways will never start new lines or improve the amenities for passengers If we feel that the railways are our own and we can get better comforts in them than in motors, why should we give our revenue to the bus-owners? There is of course a necessity for buses Some 25 years ago some ramshackle cars began to sprawl on the roads, there was need for them then and the need has now very largely increased British Orissa is surrounded by the States and mineral products from these places have to be carried to the railway stations There is only one railway line there and motor buses are therefore required, the tripartite company, as they call it, will never be able to do it The same condition now prevails as before

In the Honourable Member's budget speech we were told that the policy of re-opening stations and restoring train halts is to be restored as and when possible But on the B N Railway you find that whereas during the war they were stopping the mail train at Jajpur Road station they do not do it now In the last two months the train has not stopped there But they say that the Associated Chamber of Commerce asked them to leave Calcutta late For that purpose they have stopped these things and we are put to very great inconvenience May I ask are these railways meant for the Associated Chamber of Commerce? If so, the public do not feel any pride in the ownership of these

Railways The Governor of Orissa wrote to the General Manager, B N Railway to stop the mail train at Chattarpur and Jajpur, and he agreed to stop at Chattarpur, not at Jajpur We requested the General Manager and he said that they could not do so because there were no facilities for stopping the train at Jajpur.

5 P. M.

Mr. Deputy President: Order, order The time is up

Haji Abdus Sattar Haji Ishaq Seth: If the Government want to say something they may say What happens to this cut?

Mr. Deputy President: The time is up and the matter ends

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 25th February, 1947.

LEGISLATIVE ASSEMBLY

Tuesday, 25th February, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr President (The Honourable Mr G V Mavalankar) in the Chair

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STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

VALUE OF SURPLUSES FOR DISPOSAL

539 *Maharajkumar Dr. Sir Vijaya Ananda. Will the Honourable Member for Industries and Supplies be pleased to state if Government have an inventory of the surpluses coming up for disposal, showing their book value and the approximate value that could be got out of disposals?

The Honourable Sri C. Rajagopalachari. Yes, Sir

All surplus stores declared to the Director General, Disposals, by the holding authority are reported on prescribed forms, giving particulars of the stores, quantities, their book value, and condition The quantity and value of the stores so far declared are reported monthly to the Disposals Board in the form of a statistical summary The following statement shows the total surpluses declared, disposed of, and outstanding, as on the 31st December, 1946 —

In Lakhs of Rs

Arisings from 1st October 1944 to 31st December 1946	*Disposals* from 1st October 1944 to 31st December 1946		*Balance* On 31st December 1946
Book value	Book value	Sale value	Book value
15,210	7,050	4,184	8,160

The Defence Department have issued directives to their declaring authorities for the completion of declaration of surpluses, and it is expected that this process will be completed by March, 1947

Maharajkumar Dr. Sir Vijaya Ananda: Has this matter been included in the terms of reference of the enquirying committee on disposals?

The Honourable Sri C Rajagopalachari: Which matter?

Maharajkumar Dr. Sir Vijaya Ananda: These disposals

The Honourable Sri C. Rajagopalachari: The procedure of disposals is the main subject matter of the enquiry committee

Dr. Zia Uddin Ahmad: With reference to American goods, I would like to know what he means by book value Is it the value that the Americans fixed or the Department fixed?

The Honourable Sri C. Rajagopalachari. The Honourable Member has put down another question on this matter *in extenso* As a supplementary answer, I may say at once that the book values are the book values as given by the declaring authorities

Sardar Mangal Singh. May I know whether these articles of the Disposals Directorate are supplied to the States at the book value without any tender?

The Honourable Sri C. Rajagopalachari: The policy regarding prices at which they should be disposed of has been set out in a press communique sometime ago They are not disposed of at book values There are certain priorities to be observed first then the price at which they are sold follows a certain policy of tender, negotiation agreement, and so on—not on book value

Sardar Mangal Singh How are they given to the Indian States?

The Honourable Sri C. Rajagopalachari: The Indian States as well as Provincial Governments are given the first opportunity and it depends on negotiations and not on the book values The book value is a criterion which is kept in view

Sardar Mangal Singh: But they are given it a lower price to the States that to ordinary merchants

The Honourable Sri C. Rajagopalachari: The prices at which stuffs are disposed of in favour of Governments are based on grounds of public policy Disposals to private parties are based on a slightly different policy But there is no discrimination in favour of the States as suggested by the Honourable Member

Sardar Mangal Singh Will the Government make enquiries that these things from the Disposals Directorate which go to the States ultimately do not go into the black market?

The Honourable Sri C. Rajagopalachari: It is a suggestion which I cannot accept as describing the state of affairs The suggestion is that articles supplied to the States in particular ultimately go into the black market

Sardar Mangal Singh Will the Honouarble Member look into it?

The Honourable Sri C Rajagopalachari: Yes, Sir But more particulars will have to be given for making any effective investigation

Mr Ahmed E H Jaffer If I followed the Honourable Member correctly the Honourable Member said the selling price does exceed the book value May I know whether the articles sold to the public are sold below the book value or at book value or above book value?

The Honourable Sri C Rajagopalachari Usually the prices are much less than book value

Mr. Ahmed E H. Jaffer May I ask the Honourable Member whether he is aware that the public are sold these articles much above the book value through tenders? Competition is thereby created and the articles are sold 100 per cent above book value Will those parties be given a refund now that the Honourable Member says they should be sold at book value?

The Honourable Sri C. Rajagopalachari: I should like the Honourable Member to make it a little clearer Does he mean to suggest that the sales done by the Disposals Directorate are at a higher value than the book value?

Mr. Ahmed E. H. Jaffer. Yes, Sir

The Honourable Sri C Rajagopalachari. No, Sir

Mr. Ahmed E H. Jaffer: If it is so, will the amount be refunded?

The Honourable Sri C. Rajagopalachari: There is no "if" Articles are not disposed of at higher than the book value

Mr. Ahmed E. H. Jaffer: May I take it that the public has a right to buy these things at a maximum price not exceeding the book value?

The Honourable Sri C Rajagopalachari. The public do buy at less than book value There is no question of right Where prices are controlled, they cannot exceed the controlled prices

Mr. Vadilal Lallubhai: Will Government see to it that the cloth disposed of will be given to rationing officers and not to merchants who sell it at much higher prices in the bazar?

The Honourable Sri C. Rajagopalachari. Administratively it is not possible to mix up the Disposals department bargains with the normal distribution of the cloth available from ordinary production The two things are totally different and the policies to be followed are different. It is not easy to equate varieties that are available in the Disposals Department with the ordinary production of the textile industry in the country

Mr. Vadilal Lallubhai: Is it a fact that Provincial Governments require these cloths and will the Government see to it that the Provincial Governments are given cloth to distribute as they like?

The Honourable Sri C. Rajagopalachari: When Provincial Governments demand they have first priority

LATE ARRIVAL OF FRONTIER MAIL AT DELHI FROM BOMBAY AND PESHAWAR

540 ***Mr. Ahmed E. H. Jaffer:** (a) Will the Honourable the Railway Member be pleased to state whether Government are aware that the Frontier Mail arriving at Delhi from both directions, namely, Bombay and Peshawar is always late by few hours with the result that its departure to Bombay and Peshawar is also delayed by few hours; if so, what are the causes of such delay, and what steps do Government propose to take to see that these trains run punctually, so that no inconvenience is caused to passengers waiting for hours at the stations, and those travelling by these trains?

(b) Are Government aware that due to the irregular hours of Frontier Mail's arrival at and departure from Delhi, a large number of passengers are compelled to travel by air between Bombay and Delhi?

(c) What is the loss thus sustained by the railway?

(d) What steps do Government propose to take to see that the Frontier Mail becomes as fast as in the pre-war days by decreasing its running hours between Delhi and Bombay to 22 hours instead of 28 hours as at present?

The Honourable Dr John Matthai: (a) The up and down Frontier Mails have on a number of occasions been arriving late at Delhi but not to the extent suggested by the Honourable Member The main causes of late running are heavy loads of trains, poor quality of coal, time lost on loco account and connections with other late running trains Temporary Engineering speed restrictions also contribute to unpunctuality

Railway Administrations are doing everything in their power to improve the punctuality of passenger trains A regular and careful check is maintained on punctuality by Railway Administrations and all avoidable detentions are taken up with the staff concerned

(b) and (c) This would not appear to be the case The development of air travel arises from the convenience it offers and is not occasioned by the shortcomings of the Frontier Mail On the contrary, the Frontier Mail is packed to capacity in both directions, and there is, therefore, no loss of railway revenue by reason of certain people travelling by air

(d) It is not possible under present conditions to speed up the Frontier Mails nce, in order to cope with the traffic offering, they have to be run with an average load of eleven to twelve bogies as against the prewar normal average load of seven to eight bogies

Mr. Ahmed E. H Jaffer: With reference to the reply to part (a) of the question the Honourable Member has said that the Frontier Mail is not late to the extent I have suggested in my question May I ask the Honourable Member how many minutes is the Frontier Mail always late, if it is not late in terms of hours?

The Honourable Dr. John Matthai: I am prepared to give the Honourable Member a detailed statement on the question

Mr. Ahmed E. H. Jaffer: I am also prepared to give the Honourable Member a detailed statement showing that the train is always late by three or four hours almost every day

The Honourable Dr John Matthai: I am prepared to have my statement discussed with the Honourable Member

Sjt. N. V. Gadgil: In view of the fact that there has been a continuous increase in air travel, will the Government abandon first class accommodation on the Frontier Mail?

The Honourable Dr John Matthai: There are some questions on that subject which I propose to answer later.

Mr Ahmed E H. Jaffer: The Honourable Member said that the Frontier mail is packed to a capacity in both directions May I ask the Honourable Member whether he is aware of the fact that those passengers like myself who always used to travel by air-conditioned first class are now going by air, because the Frontier Mail is always late?

The Honourable Dr. John Matthai: What I have said in reply to that point still holds The air conditioned coaches are also packed

Mr. Vadilal Lallubhai: Will the Honourable Member inquire into the belief that there is in the minds of the public that the railway officials have become adept during the war to find out excuses for the delay in the running of trains?

Mr President Order, order

Sardar Mangal Singh In view of the fact that these mail trains have to run late, will the Honourable Member instruct the railway administration to see that the connecting trains at junctions stations are also made to wait till these trains arrive?

The Honourable Dr John Matthai That raises rather a difficult point In the case of a fast train like the Frantier Mail, if it is thrown out of course, it is not possible to give it precedence over slower trains, because in that case the whole railway service at that time will get disorganised

Mr Vadilal Lallubhai: Sir, may I know how my question was not in order? I only asked the Honourable Member whether he will inquire into the public belief that the railway officials have become adept during the war to find out excuses for late running of trains

Mr President: It is suggesting an inference The purpose of a question is to ask for information The Honourable Member was suggesting some insinuations which are not permissible under the rules

Maharajkumar Dr Sir Vijaya Ananda: Will the Honourable Member change the time table in accordance with the wear and tear of engines?

The Honourable Dr. John Matthai: It is easier, I think, to repair locomotives than to change the time table in the manner suggested by the Honourable Member

Raja Bahadur of Khallikote: Is the Honourable Member aware that the trains from Calcutta also arrive here many hours late?

Mr. President: That will be outside this question

FOOD SUPPLY IN THE DINNING CAR OF FRONTIER MAIL

541. *Mr. Ahmed E. H. Jaffer (a) Will the Honourable the Railway Member be pleased to state whether Government are aware that passengers are dissatisfied with the food supplied in the dining car of the Frontier Mail and that the same menu is maintained every day?

(b) Are Government aware that the vegetarian menu is very bad, and that the vegetables are usually carrott and potatoes and that too are served in very limited quantity, if so, do Government propose to take steps for the supply o plenty of fresh vegetables of different varieties?

(c) Are Government aware that the chicken served with meals in the dining car is not slaughtered with the result that muslim passengers refuse to eat it, and if so, do Government propose to issue instructions that chickens served to Muslim passengers should be slaughtered?

The Honourable Dr. John Matthai: (a) No complaints have been received from the travelling public The menu is changed daily, but austerity conditions prevail and no alternative dishes can be supplied

(b) No complaints have been received regarding the quality and quantity of vegetables supplied as available during the season and variety is limited in the hot weather

(c) The chickens supplied are purchased ready slaughtered and trussed from a Muslim butcher

Mr. Ahmed E. H. Jaffer: May I know whether the Honourable Member had any opportunities to travel by this train and enjoy the food served on it?

Mr. President: Order, order

Mr. Vadilal Lallubhai: Will the Honourable Member advise the restaurant management on this train to include *macaroni* in their vegetarian dish?

The Honourable Dr John Matthai: Honourable Members seem to forget that the food situation in the country has never been more acute than it is today

Khan Muhammad Yamin Khan: Is the Honourable Member aware that the sub-committee which was appointed by the Advisory Committee made a report on this question four or five months ago and may I know why it has not been acted upon so long?

The Honourable Dr. John Matthai: I am not sure that it has not been acted upon to the extent practicable

Shri D P. Karmarkar: With reference to the Honourable Member's reply to parts (a) and (b) of the question, is it a fact that the meals served in the dining car on this train are only in the European style? Will the Honourable Member consider the advisability of introducing on the Frontier Mail Indian type of meals both vegetarian and non-vegetarian?

The Honourable Dr. John Matthai I will have that looked into

Mr. Ahmed E H. Jaffer: The Honourable Member has not replied to my question whether he has tried the food on this train?

The Honourable Dr John Matthai: I have often tried it

Mr Ahmed E. H. Jaffer: May I know from the Honourable Member how many days before the starting of the train are the chickens slaughtered and brought to the dining car?

The Honourable Dr. John Matthai: I want notice of that question!

Shrimati Ammu Swaminadhan: May I know whether the acute situation with regard to food in India should make refreshments served in the restaurant cars as bad as it is, because in our own houses, despite the acute food situation, the food cooked is not so bad? I would like the Honourable Member to take note of the fact that the restaurant people are fully exploiting the food situation at the moment and making that an excuse for giving very bad food to the passengers Has the Honourable Member taken this matter into consideration?

The Honourable Dr John Matthai: I should like to have this question examined in consultation with such an experienced house wife as the Honourable Member

ABOLITION OF CLASSES EXCEPT INTER FROM RAILWAYS AND THE PROVISION OF FANS AND SLEEPING COACHES

542 *Pandit Sri Krishna Dutt Paliwal: Will the Honourable the Railway Member please state

(a) whether Government propose to consider the advisability of abolishing all classes from the railways except the inter-class; and

(b) whether Government also propose to charge present third class fares for Inter Class **and provide fans and sleeping coaches** *for long distance passengers* in inter class?

The Honourable Dr. John Matthai: (a) No The proposal under consideration by Government is to abolish the Inter Class and retain three classes of travel instead of the present four classes

(b) The question does not arise in view of the proposal to abolish the Inter Class Proposals for increased amenities to the third class passengers including the provision of fans are under active consideration

Pandit Sri Krishna Dutt Paliwal: Is the Honourable Member aware that the Inter class is the class most suited to middle class passengers?

The Honourable Dr. John Matthai: I expect that in the proposed arrangement the Inter Class will practically become the second class

Shri D. P Karmarkar: Does the Honourable Member propose to consider the feasibility of bringing into practice the suggestion made by the Wedgewood Committee report, *viz* , that in view of the very small earnings derived from first and second class passengers, the two classes should be combined into one class with a view to making greater accommodation available for the third class passengers?

The Honourable Dr. John Matthai Our proposal practically is that the first class should be abolished

Dr. Zia Uddin Ahmad. May I know whether the Honourable Member is aware that in certain cases they are running only two classes—upper and lower?

The Honourable Dr John Matthai: On certain branch lines we are going to adopt that practice

Dr. Zia Uddin Ahmad Has it been worked successfully?

The Honourable Dr. John Matthai. I am not sure if it has been tried on a sufficiently large scale or for a sufficient length of time I am not in a position to answer the question

Khan Muhammad Yamin Khan. Is the Honourable Member aware that a great deal of information received on this point was to the effect that the Inter Class should not be abolished and that the Inter Class should remain as well as an Upper and a Lower class?

The Honourable Dr. John Matthai: From an examination of the papers I find that this matter was fully examined in consultation with various public bodies The matter was first referred to the local Railway Administrations and their advisory committee Thirty Chambers of Commerce were consulted on the point Then the Central Advisory Council was consulted and I think hereafter, when the financial implications of this arrangement have been worked out, the matter will come up before the Standing Finance Committee

Shri D. P. Karmarkar: Will the Government consider the feasibility of making a limited amount of reservation in respect of third class, so as to be available to third class passengers who travel over long distances?

The Honourable Dr John Matthai. That will raise a difficult question I think what the Honourable Member is suggesting is that third class accommodation should be rationed

Shri D. P Karmarkar: It is not rationing of accommodation but the suggestion implied is

Mr. President: That is taking the matter to a discussion

Shri D. P. Karmarkar: In view of the Government's anxiety to relieve third class passengers, I want to know whether Government propose to make a limited percentage of seats, say five per cent, available in every train for long distance third class passengers

Mr. President: These are all suggestions for action they are not proper supplementary questions for answer

RECOMMENDATIONS OF THE SUB-COMMITTEE FOR SITE FOR AGRA CENTRAL STATION

543. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable the Railway Member please state

(a) whether it is a fact that the Sub-Committee consisting of officials and M L A.'s both Provincial and Central which was appointed for suggesting a suitable site for the proposed central station at Agra has recommended that the East Indian Railway main line be diverted from Hathras Junction to the existing Jumna Bridge Station of the East Indian Railway to enable all through trains of the East Indian Railway to pass directly through Jumna Bridge station, and

(b) whether Government propose to accept the above recommendation in view of the existing and daily increasing importance of Agra?

The Honourable Dr John Matthai: (a) Yes, this proposal was made at a meeting of the Sub-Committee held on the 6th December 1946

(b) The Government find themselves unable to accept the proposal as it involves a very heavy expenditure on a new line about 23 miles long from Hathras Kilah to Jumna Bridge and strengthening of 5½ miles of the section from Hathras Jn to Hathras Kilah, with no corresponding advantage On the contrary, it will involve a delay of 1½ hours for through passengers and a heavier delay for through goods

MINIMUM WAGES FOR RAILWAY WORKERS

544. *Pandit Sri Krishna Dutt Paliwal. Will the Honourable the Railway Member be pleased to state

(a) whether Government are aware of the minimum wages of railway workers suggested by the representatives of railway workers Unions before the Central Pay Commission, and

(b) whether Government propose to pay the minimum wages suggested, if so, when?

The Honourable Dr. John Matthai: (a) The reply is in the affirmative

(b) The question whether any revision in the present minimum wages is called for will be decided after the recommendations of the Central Pay Commission are considered by Government

THROUGH TRAIN FROM AGRA TO ALLAHABAD

545. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable the Railway Member please state

(a) whether Government are aware of the fact that the inhabitants of Agra experience great hardship on account of the absence of through train service from Agra to Allahabad,

(b) whether it is a fact that formerly one direct train used to go from Agra to Allahabad,

(c) whether it is a fact that there are through trains from Agra to Cawnpore and through bogeys from Agra to Lucknow, and

(d) whether Government propose to start a direct train from Agra to Allahabad or at least a through bogey?

The Honourable Dr. John Matthai: (a) Government cannot agree that the inhabitants of Agra experience great hardship on account of there being no through train service between Agra and Allahabad. It is true that passengers have to change trains at Tundla but such changes occur at convenient hours and cannot therefore be said to involve hardship

(b) Yes

(c) Yes

(d) The Railway Administration intend to restore the through train between Agra and Allahabad as soon as the availability of coaching stock permits

Shri Mohan Lal Saksena: Is the Honourable Member aware that the through bogey compartment from Agra to Lucknow is generally overcrowded?

The Honourable Dr. John Matthai: I have no information, Sir

Shri Mohan Lal Saksena: Will he kindly make enquiries and make arrangements for adding one more?

The Honourable Dr. John Matthai: I will make enquiries, Sir

Pandit Sri Krishna Dutt Paliwal: Arising out of the Honourable Member's answer to part (d) of the question, what is his reply to the suggestion about a through bogey from Agra to Allahabad as apart from a through direct train?

The Honourable Dr John Matthai: I should like to look into that question, Sir

546.*—550* [Withdrawn]

NATIONALISATION OF COAL INDUSTRY

551. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable Member for Industries and Supplies please state

(a) the steps Government have taken or propose to take to nationalise the Indian coal industry,

(b) whether the mineral rights in the permanently settled areas of Bengal and Bihar have been acquired by the state, and

(c) the steps Government have taken or propose to take (i) to speed up the production and transport capacity of coal, (ii) to conserve metallurgical coal and (iii) for the electrification of Railways as coal saving measure?

The Honourable Sri C Rajagopalachari: (a) This is a very important matter requiring thorough examination The Indian Calfields' Committee have made certain recommendations which are being examined

(b) No, but this question was recently discussed at the National Mineral Policy Conference and there was agreement on the need for the acquisition of mineral rights

(c) Government do intend to pursue all practicable steps to speed up the production, conservation and transport of coal The technical and financial aspects of electrification of a part of the railways are being investigated

The Railway Board have under consideration various new lines in the vicinity of the coal fields These lines are now under survey, and when a decision is taken for their construction, the Railway Board propose to give an overriding priority among construction projects to those new lines which would assist in the distribution or extraction of coal

The Railway Board hope to be able to give up the use of high-grade coking coal which is required to be conserved for metallurgical purposes This would be achieved as soon as alternative arrangements can be made The Indian Coalfields Committee do not expect that this will be possible till about 1954 The Railway Board have under examination the possible electrification of about 1,500 route miles

Shri Mohan Lal Saksena: May I know how long it will take before we are able to meet with this coal shortage?

The Honourable Sri C. Rajagopalachari: I have already said that alternative arrangements will have to be made before we completely cut down the higher quality coal, and the Coalfields Committee think that it will not be possible to complete these arrangements till 1954

Sardar Mangal Singh: May I know whether Government are making any efforts to find out if there are any new coal mines?

The Honourable Sri C. Rajagopalachari: Yes, Sir

Babu Ram Narayan Singh: May I know from the Honourable Member whether the coal shortage is due to want of wagons or coal?

The Honourable Sri C. Rajagopalachari: On the whole the shortage is not due to want of coal, but it is due to transport difficulties, including shortage of wagons

STATEMENT *re* FOOD SITUATION

552. *Mr. Ahmed E. H. Jaffer. (a) Will the Secretary of the Food Department pleased lay on the table of the House a statement regarding the Food situation in the country?

(b) What is the position of food likely to be at the quarter ending March, 1947, after considering the expected imports into India and food grains already available in India?

(c) Is there any possibility of famine in any parts? If so, what districts and provinces are likely to be so affected?

Mr. K. L. Panjabi: (a) The attention of the Honourable Member is invited to the 'Memorandum on the Food Position in India', which was circulated to Members of this House at the commencement of the session

(b) On present appraisal of supplies available internally and expected from abroad, the food position in the country will continue to be difficult during the period mentioned in the question

(c) As foodgrains are now distributed in the country under an extensive system of rationing and the Kharif crop has only recently come in no famine is apprehended But the ration of wheat may have to continue at a low level for some weeks All the wheat consuming areas will suffer from wheat shortage

Mr. Ahmed E. H. Jaffer: May I know what will be the position for the second quarter ending June?

Mr. K L. Panjabi: It will continue to be difficult Sir

REPAIR AND RE FURNISHING OF RAILWAY COMPARTMENTS ON B B & C. I AND G I P RAILWAYS

553 *Mr Ahmed E H Jaffer. Will the Honourable Member for Railways please state

(a) whether Government are aware of the unsatisfactory condition of all classes of compartments in the Bombay, Baroda and Central India and the Great Indian Peninsula Railways,

(b) what steps, if any, are being taken to replace bulbs, pegs, racks, etc, that are still wanting in various coaches,

(c) what steps are being taken to repair and refurnish them and to put back all the fittings in order to avoid inconvenience to the travelling public, and

(d) when the railway carriages will be put in their normal condition?

The Honourable Dr. John Matthai (a), (b), (c), (d) The Honourable Member's attention is invited to starred question No 27 by Shri Sri Prakasa on the 28th October, 1946, and the reply given by the Honourable Mr Asaf Ali

DAIRY FARMS AND THE DISTRIBUTION OF HIGH MILK YIELDING CATTLE THROUGHOUT INDIA

554. *Sri R. Venkatasubba Reddiar: Will the Secretary of the Department of Agriculture be pleased to state·

(a) the places where Dairy Farms are maintained for evolving species of cows and buffaloes which could yield increased quantity of milk

(b) the number of cattle maintained at each station,

(c) the largest quantity of milk yielded by a single cow and

(d) the steps that are taken to distribute the high yielders throughout India and the conditions under which they are distributed?

Sir Pherozе Kharegat (a) and (b) A statement is placed on the table

(c) The maximum quantity of milk yielded by a cross bred cow is about 16,700 lbs at a military dairy farm and by an indigenous cow 12 300 lbs at the Indian Agricultural Research Institute in a lactation of about 300 days

(d) Cows producing large milk yields are generally retained by dairy farms for producing improved progeny those not required by dairy farms are sold Good bulls are distributed free of cost in Coorg and Bengal and at concessional prices in other provinces to district boards Gaushalas and *bona fide* breeders The Bengal Government also give a subsidy of Rs 15 p m towards the maintenance of each bull on the condition that its services are allowed free to the public and records of its performance are maintained by them

Statement

Places where dairy farms are maintained	Number of cattle at each dairy farm
A *Under Central Government*	
*1 Indian Agricultural Research Institute New Delhi	291
*2 Indian Agricultural Research Institute sub station Karnal (Punjab)	308
*3 Indian Veterinary Research Institute Izatnagar U P	589
4 Indian Veterinary Research Institute Mukteswar U P	
5 Indian Dairy Research Institute Bangalore	422
B *In Provinces*	
Assam	
*1 Shillong	98
2 Sylhet	159
3 Khanapara	142
*4 Jorhat	69
*5 Barapetta	143
Bengal	
*1 Dacca	500
Bihar	
*1 Patna Farm	508
*2 Kanke Farm	351

	Places where dairy farms are maintained	Number of cattle at each dairy farm
	Bombay	
*1	Northcote Cattle Farm, Chharodi, District Ahmedabad.	500
*2	Institute of Agriculture, Anand	150
*3	Surat Dairy	50
*4	Gilligan Cattle Farm, Pimple	150
*5	Gangapuri Cattle Farm, District East Khandesh	100
*6	Bombay Gowrakshak Mandal, Kandivlee	600
*7	Nathu Laljee Charity Farm, Mulund	150
*8	Lokmanya Gowshalla, Dombivlee	250
9	Government Cattle Farm, Kopergaon	30
10	Agricultural College, Poona	275
*11	Government House Dairy, Ganeshkhind, Poona	75
12	Government Cattle Farm, Tegur	115
*13	Government cattle Farm, Bankapur	140
	C P & Berar	
1	Telenkhery Farm, Nagpur District	249
2	Dewal Dairy Farm, Saugor District	489
	Coorg	
*1	Government Demonstration Dairy Farm at Mercara	36
	Madras	
*1	Livestock Farm at Hosur (Salem District)	928
*2	Livestock Farm at Lam (Guntur Distt.)	330
	N W F. P	
**1	Buffalo breeding Farm, Islamia College, Peshawar	50
	Orrisa	
1	Government Dairy Farm, Cuttack	46
2	Military Dairy Farm now converted to Civil Dairy Farm.	120
	Punjab	
*1	Jahangirabad Cattle Farm, District Multan	1,085
*2	Allahdad Cattle Farm, District Multan	500
**3	Bahadurnagar Buffalo Farm	778
**4	Qadirabad Cattle Farm, District Montgomery	220
5	Montgomery Dairy Farm, Montgomery	308
*6	Government Livestock Farm, Hissar	200

	Places where dairy farms are maintained	Number of cattle at each dairy farm
	Sind	
*1	Willingdon Cattle Farm, Mahr	292
2	Agricultural Research Station, Sakrand	61
3	Agricultural Research Station, Dokri	240
	U P.	
1	Government Agricultural College, Cawnpore	85
**2	Government livestock and dairy farm Babugarh, Meerut	200
3	Government cattle farm, Bhararı, Jhansı	77
**4	Government Cattle Farm, Manjhra	34
*5	Government Agricultural School, Gorakhpur	11
6	Government Agricultural School, Balandshahr	16
*7	Government Livestock & Research Station, Madhurı Kund Muttra	148
	C Under Military Authorities	
	Northern Command	
1	Rawalpindi	686
2	Murree	22
3	Cambellpore	257
4	Jhelum	247
*5	Sargodha	20
**6	Matsenabad	65
7	Peshawar	446
8	Nowshera	410
9	Mardan	84
10	Abbetabad	238
11	Kohat	271
12	Thall	60
13	Bannu	647
14	Dera Ismail Khan	175
15	Wana	104
16	Manzaı	36
17	Malir Cantt	1,117
18	Quetta	638

	Places where dairy farms are maintained	Number of cattle at each dairy farm
	Northern Command—*contd*	
19	Fort Sandaman	92
20	Loralai	25
21	Multan	54
22	Lahore Cantt	1,620
**23	Bowli	1,617
**24	Bengali	182
25	Sialkot	474
26	Jullundur Cantt.	703
27	Ferozpur Cantt	752
28	Ambala Cantt	602
29	Kasauli	55
30	Dagshai	30
31	Subathu	15
*32	Sanawar	35
*33	Dalhousie	46
	Eastern Command	
34	Agra	328
35	Allahabad	370
**36	Bareilly	320
**37	Cawnpore	218
38	Dehra Dun	576
39	Jhansi	338
40	Lucknow	945
41	Meerut	870
**42	Muttra	207
**43	Narnkuu	987
**44	Panagarh	435
	G H Q Installation	
**45	Tobruk (Okara)	285
**46	Salarno	17
**47	Shadipur	6

	Places where dairy farms are maintained	Number of cattle at each dairy farm
	Southern Command	
48	Belgaum	148
49	Ahmednagar	413
50	Deolali	686
**51	Kalyan	971
52	Kirkee	950
**53	Nasik Road	239
**54	Pimpri	1,540
55	Bangalore	763
56	Secunderabad	933
**57	Vizagapatam	295
*58	Wellington	91
59	Jubbulpore	821
60	Mhow	226
**61	Katni	251
62	Pashmari	29
**63	Mehgaon	43

* Only cows maintained
** Only Buffaloes maintained.
Both cows and buffalo are maintained on other farms

AMONIA FACTORY AT SINDHRI

555. *Sri R. Venkatasubba Reddiar: Will the Honourable Member for Industries and Supplies please state

(a) the progress made in the construction of the Ammonia Factory at Sindri, and

(b) the probable time it would take to start production?

The Honourable Sri C. Rajagopalachari. (a) Honourable Member is referred to Starred question No 365 by Babu Ram Narain Singh which was not reached but the answer for which was placed on the table on the 17th February last A large proportion of the plant has been ordered but the delivery period for some of the key items is long

Orders have been placed for some of the structural steelwork and negotiations are in an advanced stage for ordering the remainder

Work on levelling the site, construction of foundations, houses for staff and workmen is proceeding although there have been long delays owing to difficulties over land acquisition

Work on the construction of the broad gauge line connecting the factory with the E I R line is proceeding satisfactorily Fuller information is given in the monthly situation report issued by the Chief Technical Adviser

(b) It is hoped to start production early in 1949 and to reach full production by the middle of 1949

The answer placed on the table to Starred question No 365, to which I referred, gives very full information on all the points

PRICE SUBSIDIZATION IN THE MATTER OF FOODSTUFFS

556. *Shri D. P. Karmarkar: Will the Secretary of the Food Department be pleased to state

(a) whether Government are aware that the lower middle-classes and the poorer sections of the population are undergoing acute economic suffering owing to continued increase in the price level of necessary commodities, and

(b) whether Government propose to introduce measures of price-subsidization in the matter of food-stuffs to relieve the suffering partially?

Mr K. L. Panjabi. (a) Yes

(b) The policy of Government is not to allow the existing prices of foodgrains to rise further In furtherance of this policy the Government of India is subsidising the sale of imported foodgrains to the Provincial Governments and Administrations at rates which enable them to sell these grains at the existing retail prices

Shri D. P Karmarkar With reference to the Honourable Member's reply to part (b), will Government consider the desirability of advising the Provincial Governments to restore to the farmers, from whom they have requisitioned grain, the foodgrain, if the farmers want it back for use, at the same price at which it was purchased from the farmers?

Mr. K. L Panjabi: The grain that is requisitioned from the farmers is what is normally in excess of the farmers' requirements It is only the surplus grain which is taken from the farmer

Shri D. P Karmarkar: Is the Honourable Member aware that in the Bombay Province a certain increased price is taken if the farmer wants the grain back for legitimate purposes? He has to purchase the same grain, which he has sold at a lower price, at a higher price while purchasing from the Government rationing agency

Mr K. L Panjabi: Our information is that in the levy scheme sufficient allowance is made for the personal requirements of the farmer, including the requirements in respect of agricultural labour employed by the farmer, before the produce is taken by the Government Normally all the requirements of the farmer are met before Government takes the surplus from him

Shri D P. Karmarkar: Is the Honourable Member aware that under the present levy scheme of the Bombay Government an average family is taken to consist of five persons and hardship is felt in the case of larger personnel than five In those cases will the Honourable Member be pleased to advise the Provincial Government to allow these farmer growers to keep as much as is necessary for the fulfilment of their family needs?

Mr. K. L. Panjabi: Government will consider the suggestion

PROFITS FROM THE SALE OF FOODSTUFFS BY PROVINCIAL GOVERNMENTS

557 *Shri D P. Karmarkar: Will the Secretary of the Food Department be pleased to state whether Government are aware that Provincial Governments make a profit from the sale of food-stuffs through their rationing organisation in their respective area, if so, whether the Government of India propose to advise them in the matter?

Mr. K. L. Panjabi: No profits are being made by the Rationing Organizations of the Provincial Governments or Administrations on the sale of rationed foodstuffs In Delhi, the profit and loss account for the period May 1944 to March 1946, showed a surplus of Rs 10,00,000 which was due to the fact that

allowances on account of dirt, admixture, weevilled grain, etc , were recovered from the suppliers long after the fixation of prices of the relative consignments. This surplus has been mostly wiped off by losses arising out of the sale of subsequent high priced consignments at the old rate Nearly all the Provinces and Administrations have, in fact, sustained heavy losses

The policy that no profits should be made on the sale of rationed foodstuffs is well understood and there is no need of advising Provincial Governments about it

Pandit Lakshmi Kanta Maitra. May I take it that the Honourable Member has made inquiries from the Provincial Governments to satisfy himself that no such profiteering is made in the matter of controlled foodstuffs supplied to the different provinces by the Government of India?

Mr. K. L. Panjabi: We get periodical information from the Provincial Governments and an examination of these reports has shown that no profit is being made

Pandit Lakshmi Kanta Maitra When was the last review made?

Mr. K. L. Panjabi: I want notice of that

Pandit Lakshmi Kanta Maitra What is the margin of difference in the rates at which the supplies are made to the Provincial Governments and the rates at which they are sold?

Mr. K. L. Panjabi: I have not got the information

Pandit Lakshmi Kanta Maitra: May I know if it is the policy of his department to send periodical instructions to Provincial Governments not to profiteer in foodgrains supplied by the Centre and is this policy being implemented?

Mr. K. L Panjabi. I have already said that the policy is that no profit should be made Sometimes there is a surplus accruing out of certain consignments, which is set off by subsequent losses on the sale of other consignments It is very difficult to show a net profit balance at the end of the period This is a running account and in the end no profit is made The policy is well understood by the Provincial Governments

Pandit Lakshmi Kanta Maitra: Is this merely the inference of the Honourable Member or are periodical directives sent to the Provincial Government to this effect?

Mr. K. L. Panjabi. The necessity for directives has not arisen

Sardar Mangal Singh: Have you made inquiries whether they have made profit or not?

Mr. K. L. Panjabi: I have already said that we get information from the Provincial Governments and we are satisfied that no profits are made

Diwan Chaman Lall: Is not the Honourable Member confusing the rationing authorities with the syndicates operating in certain provinces? The syndicates in certain provinces do make a profit

Mr. K. L. Panjabi: I have confined my remarks to Provincial Governments and not to the syndicates The syndicates work on commercial lines and presumably they make a little profit They take a certain risk

Diwan Chaman Lall: So, Provincial Governments are making a profit through the syndicates Is the Honourable Member aware of the system that prevails in the Punjab?

Mr. K. L. Panjabi: The syndicates get a commission for performing a service It does not mean that the Provincial Governments make a profit

Diwan Chaman Lall: Is it a fact that the provincial syndicate in the Punjab was given wheat by the Punjab Government at about Rs 9 a maund and the same wheat was rationed by the rationing authorities at Rs. 11 to Rs 12 a maund?

Mr. K. L. Panjabi: I have no information

558. *Shri D. P. Karmarkar: I do not want to put this question

USE OF COTTON SEED FOR THE MANUFACTURE OF HYDROGENATED OIL

559. *Shri D. P. Karmarkar: Will the Secretary of the Food Department be pleased to state

(a) whether it is a fact that cotton seed is being used for the manufacture of hydrogenated oil therefrom,

(b) if so, the names of the factories so using it and the quantity of cotton seed used in this manner during each year from 1919, and

(c) the steps that Government propose to take to stop such use, in view of the shortage of cattle-food in the country?

Mr. K. L. Panjabi. (a) Yes, but in very small quantities

(b) Information from 1919 is not available, a statement giving this information from 1936 is laid on the table of the House

(c) Government do not propose to prevent the use of cotton seed for vanaspati production as they are advised that it will add to the fats available for human consumption without reducing the feed for cattle The cake is as good cattle feed as the seed

Statement showing use of cotton seed oil for the manufacture of Vanaspati by the following factories since commencement of production

1 Ganesh Flour Mills, Delhi, Cawnpore, Lyallpore
2 Modi Vanaspati Manufacturing Co, Modinagar
3 Hindustan Vanaspati Manufacturing Co, Ltd, Bombay
*4 Snow White Food Products, Calcutta
*5 Bharat Vanaspati Manufacturing Co, Ltd, Pachora
*6 Amrit Banaspati Manufacturing Co, Ltd, Ghaziabad

Serial No	Year	Quantity used
		Tons
1	1936	105 24
2	1937	8 06
3	1938	Nil
4	1939	13 63
5	1940	351 17
6	1941	1,064 04
7	1942	671 21
8	1943	673 00
9	1944	685 32
10	1945	275 46
11	1946	668 09

*These factories have used small quantities for experimental purposes only once during their entire period of production

Pandit Lakshmi Kanta Maitra: Has the Honourable Member taken the advice of expert nutritional authorities as to whether hydrogenated edible oil manufactured from cotton seed is really nutritive or detrimental to public health?

Mr. K. L. Panjabi: We have been conducting research on the nutritional value of vanaspathi. The results are not completed. So, I am unable to give definite information.

Pandit Lakshmi Kanta Maitra: Is the Honourable Member aware of the criticism of scientists that this cotton seed oil is positively injurious?

Mr. K. L. Panjabi: The Honourable Member will be interested to know that margerine production in the U S A is largely out of cotton seed oil.

Pandit Lakshmi Kanta Maitra: That is not largely used for edible purposes. I want to know if the Government are aware of the strength of public criticism particularly from the nutritional authorities that this edible oil manufactured from cotton seed is positively injurious to public health?

Mr. K. L. Panjabi: We have had no such complaint.

Shri D. P. Karmarkar: There has been great scarcity of cotton seed in certain parts of the country leading to the deterioration of cattle. In view of that, will Government consider the question of putting a stop to cotton seeds being used for hydrogenated oil?

Mr. K. L. Panjabi: It will interest the Honourable Member to know that the total quantity of cotton seed used for the manufacture of vanaspathi was only 668 tons. This information is contained in the statement I have laid on the table this morning.

560. *Shri D. P. Karmarkar: Sir, I do not want to put this question.

LOW RATES OF SALARY AND DEARNESS ALLOWANCE OF GANGMEN ON THE E I RAILWAY

561 *Mr. Nagendranath Mukhopadhyay: Will the Honourable Member for Railways please state whether Government are aware that the gangmen of the East Indian Railway are very poorly paid in comparison to those on other Railways in India. They start their life on Rs 11 or Rs 12 including the different rate of dearness allowance at different places yet they do not get a living wage. If so, do Government propose to consider the advisability of increasing their salary and dearness allowance?

The Honourable Dr. John Matthai: It cannot be generally said that the gangmen on the East Indian Railway are very poorly paid in comparison with those on other railways in India, though their rates of pay are lower when compared with those of gangmen of certain other Indian Government Railways. Ignoring the starting pay, *viz.*, Rs 12, in the old scales of pay, which are no longer applicable to new entrants, the starting pay now admissible to gangmen on the East Indian Railway, *viz.*, Rs 11 is only Re 1 lower than the starting pay now given to recruits on certain other railways, with the exception of two railways, on which the difference is Rs 3 and Rs 2 respectively. Dearness allowance is given in addition to the rates of pay drawn by an employee.

As regards the last part of the question, as the Honourable Member is aware, the future structure of the scales of pay and standards of remuneration for Government servants have been under examination by the Central Pay Commission and the question whether the wages of staff should be revised will be decided when the Pay Commission's recommendations in this respect have been examined by Government.

Shri Mohan Lal Saksena: May I know how much dearness allowance is given to them?

The Honourable Dr. John Matthai: It varies according to the region concerned from Rs 10 to Rs 19

SUPPLY OF WARM OVERCOATS AND PANTS TO ASSISTANT STATION MASTERS ON E I RAILWAY

562. *Mr. Nagendranath Mukhopadhyay. Will the Honourable Member for Railways please state whether Government are aware of the fact that the Assistant Station Masters on the East Indian Railway are not supplied with warm over-coats and pants in the winter season, although they are required to move in the railway yard and other places undergoing exposure to cold If so, do Government propose to consider the advisability of supplying them with warm over-coats and warm pants?

The Honourable Dr John Matthai: It is not a fact that all Assistant Station Masters on the E I Railway are not supplied with warm over coats and trousers in the winter Assistant Station Masters, Grade I, and those posted at 14 selected stations on the E I Railway are allowed trousers As regards the supply of over-coats, only those Station Masters in Grade I who are posted in the three Upper Divisions, namely, Allahabad, Lucknow and Moradabad, and the Relieving Assistant Station Masters at Howrah are allowed over-coats

As regards the latter portion of the question, General Managers of Indian Government Railways are authorised to frame Dress Regulations to govern the issue of uniforms and warm clothing to subordinates employed on Open Lines of Railways In doing so, due regard is paid to climatic conditions and the duties to be performed by the different classes of staff In this connection, I would draw the Honourable Member's attention to my reply given to Starred Question No 454 asked on the 21st February 1947

Pandit Lakshmi Kanta Maitra: What is the policy that the Government pursues with regard to the grant of this winter uniform? Does it depend on the nature of the work or does it depend on the station at which a particular person is serving?

The Honourable Dr. John Matthai: There are various considerations that determine the policy of local Administrations in this matter One of the most important, of course, is the climatic consideration Then, there is also the question of the duties performed by the staff For example, if a particular employee comes in contact with the public and it is important that he should be easily identified, it is necessary that he should be provided with a uniform Various considerations apply in determining the question

Pandit Lakshmi Kanta Maitra: Are they provided free or do they pay for them?

Mr. President: Next question

UN-RESTRICTED ISSUE OF SECOND CLASS TICKETS AT DELHI, BEZWADA AND MADRAS

563. *Sri R. Venkatasubba Reddiar: Will the Honourable Member for Railways be pleased to state

(a) whether unrestricted issue of second class tickets for the Grand Trunk Express irrespective of the availability of accommodation is permitted especially at Delhi, New Delhi, Bezwada, and Madras daily causing great inconvenience to through passengers,

(b) whether most of this traffic is between Delhi and Agra, and Bezwada and Madras; and

(c) whether a passenger or shuttle train could not be run to avoid congestion in the Express and inconvenience to through passengers?

The Honourable Dr. John Matthai: (a) At Delhi, New Delhi and Madras stations, second class tickets are issued subject to accommodation being available on the train At Bezwada, which is an intermediate station, there is no restriction in the issue of second class tickets, but the number actually sold is small Government believe that the present procedure is designed to cause the minimum inconvenience to through passengers

(b) No, the average number of second class passengers travelling daily on these sections is small, about 28 between Delhi and Agra and ten between Bezwada and Madras in each direction

(c) Government do not consider that there is justification for running an additional passenger or shuttle train on these sections at present

Sri R. Venkatasubba Reddiar: May I ask what is the source from which he has found out the sale of tickets?

The Honourable Dr. John Matthai It is based on the best statistical information available

Sri R. Venkatasubba Reddiar. I have raised this question from my own personal experience Whenever I have travelled by this train either from Delhi or from Madras the compartment has always more than eight or nine passengers?

The Honourable Dr John Matthai. The information that I have given is based on the best data that we have been able to collect and I am not in a position to add to the information I have given

Sri R. Venkatasubba Reddiar: Does it mean that there are ticketless travellers?

The Honourable Dr. John Matthai: It does not

TERMS OF CONTRACT FOR DISPOSAL OF AMERICAN GOODS LEFT IN INDIA

†564. ***Mr. Tamizuddin Khan** (on behalf of **Dr. Zia Uddin Ahmad**) (a) Will the Honourable Member for Industries and Supplies please state what are the terms of contract between America and India about the disposal of goods left in this country by Americans?

(b) Have the Government of India examined the prices which American Authorities fixed for those articles and the prices at which they are selling in India?

(c) Are Government aware that Americans gave 40 per cent discount to charitable institutions, but no concession is given by the Government of India?

The Honourable Sri C. Rajagopalachari: (a) The attention of the Honourable Member is invited to the Press Communique, dated 31st May 1946, a copy of which is placed on the table

(b) The basis on which the block take-over took place is stated in the Press Communique As regards disposals, the necessity for relating our prices to those charged by the Americans does not arise Attention is invited to clause 7(b) of the Agreement under which the disposal of American Surpluses has to be in conformity with such directives as the Government of India has issued and may from time to time issue and in the same manner in which Indian and H M G owned surpluses in India would be disposed of

(c) Whatever may be the practice followed in America, our own practice is to give such concessions as may be thought fit in the Government departments connected with the activities of the institution rather than as a hidden subsidy from disposals

†Taken up in the second round.

PRESS COMMUNIQUE

INDO U S AGREEMENT ON LEND LEASE—WHAT INDIA GETS UNDER THE SETTLEMENT

The Government of India Delegation led by the Hon'ble Mr A A Waugh, which went to Washington early in April 1946, has returned to India after concluding a satisfactory settlement with the Government of the United States for lend lease, reciprocal aid, surplus war property located in India and for the financial claims of each Government against the other arising out of the war The settlement provides for a complete cancellation of payments for lend lease, reciprocal aid, U S owned surpluses in India and claims arising out of the war, subject to the condition that, if the sale proceeds of U S -owned surpluses exceed the equivalent of 50 million dollars, 50 per cent of the excess proceeds will be paid to the U S Government in rupees These rupees will be spent in acquiring embassy sites and buildings and for an agreed cultural and educational programme in India, or for American Government expenditure in India, but for no other purpose No dollar liability will thus arise

The settlement should be viewed against the background of the following facts. The United States sent to India about Rs 650 crores worth of lend lease goods These stores were obtained partly for India's own purposes and partly for purposes of H M G 's war measures, in particular, operations by South East Asia Command for which India was the base The value of lend lease stores for which India could properly assume liability amounted to nearly Rs 200 crores These stores include those obtained for essential civil purposes in India, such as machine tools, steel non ferrous metals, railway equipment, etc , and the military articles consumed during the war, or held after the war for India's own purposes In return for this aid, India gave reciprocal aid to the United States in the shape of supplies and service for the U S Forces in India, certain raw materials and services for United States shipping in Indian ports The cost of this reciprocal aid, including the capital cost of airfields and accommodation built for the U S Forces in India, came to nearly Rs 200 crores

Other factors in the settlement were the financial claims relating to supplies and services rendered after V J Day (which produced a net figure of Rs 14 crores due to India) and the surplus war property located in India The surplus war property arose from two sources As has been stated above, the greater proportion of lend lease stores came to India on United Kingdom's account and there were considerable surpluses from United Kingdom military holdings of lend lease stores that had a civilian use in India They include trucks, metre gauge locos and wagons, engineer equipment, etc , as well as petroleum products in India (other than aviation spirit, which had already been covered by the United Kingdom Agreement) Secondly, there were large United States-owned surpluses in India These include hospital equipment, road making and other engineer equipment, transportation stores, vehicles, aircraft, machinery, food, etc

Under the Agreement India gets—

(a) Lend lease civilian articles held by India on V J Day, *i e* , September 2, 1945, such as machine tools, metals, railway equipment, chemicals, etc ,

(b) Lend lease articles on order on V J Day ,

(c) The military lend lease articles held for the Indian Armed Forces as on April 1, 1946, subject to the United States Government's right of recapture, which will not generally be exercised ,

(d) Surpluses from the United Kingdom military holdings in India with a civilian use in India, such as trucks, metre gauge locomotives, wagons, etc The Government of India has the right to use and sell them in India, but if they are to be sold outside India the prior permission of the United States Government has to be obtained ,

(e) Lend lease petroleum products in India other than aviation spirit ,

(f) The United States owned surpluses in India Their disposal will be entirely the responsibility of the Government of India Quarterly reports on the proceeds of disposals will be sent to United States Government Termination of the disposal programme, at the stage when disposals operations cannot be profitably carried on, will be determined by the Government of India, and a final report will be sent to the United States Government At that stage any payment from realisations in excess of the equivalent of 50 million dollars will be made to the United States Government in rupees

(g) All installations in India whether built from lend-lease or from reciprocal aid materials become the property of the Government of India.

The United States Government gets the reciprocal aid articles in the possession of the United States Government on V. J Day

India agrees not to charge United States Government for the supplies and services rendered to United States Forces in India from V J Day until May 31, 1946 (the date of closing of the India-Burma theatre) and also agrees to meet certain defined claims against members of United State Forces in India, such as claims arising out of traffic accidents, etc

These negotiations did not cover silver obtained by India under a separate agreement executed in 1944 which provided for its return in kind The figures given above for lend-lease are exclusive of the value of this silver

The agreement, which was concluded in an atmosphere of mutual goodwill, augurs well for the future of relations between U S A and India

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AGREEMENT BETWEEN THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA ON SETTLEMENT FOR LEND LEASE, RECIPROCAL AID, SURPLUS WAR PROPERTY, AND CLAIMS

The Government of India and the Government of the United States of America have reached agreement as set forth below regarding settlement for lend lease, reciprocal aid, and surplus war property located in India and for the financial claims of each Government against the other arising as a result of World War II This settlement is complete and final Both Governments, in arriving at this settlement, have taken full cognizance of the benefits already received by them in the defeat of their common enemies, and of the aid furnished by each Government to the other in the course of the war, and no further benefits will be sought as consideration for lend lease, reciprocal aid and surplus war property, or for the settlement of claims or other obligations arising out of the war, except as herein specifically provided

1 (a) The term "lend lease article" as used in this Agreement means any article transferred by the Government of the United States under the Act of March 11, 1941,—

(i) to the Government of India, or

(ii) to any other government and retransferred to the Government of India

(b) The term "reciprocal aid article" as used in this Agreement means any article transferred by the Government of India to the Government of the United States under reciprocal aid

2 No payment will be made by either Government to the other on account of lend-lease and reciprocal aid articles and services transferred or retransferred at any time to either Government

3 The Government of India agrees that no payment will be required from the Government of the United States on account of articles and services furnished to the United States armed forces in India between September 2, 1945, and May 31, 1946, both dates inclusive

4 (a) The Government of India hereby acquires full title, without qualification as to disposition or use, to all lend lease articles now in the possession of the Government of India (including lend lease components of installations located in India and all lend lease petroleum products in India other than aviation gasoline) except lend lease articles described in Section 5 hereof

(b) The Government of the United States agrees to complete as early as possible the transfer (which term, except as hereinafter provided, shall include delivery aboard ocean vessel in a United States port) of the articles selected by the Government of India which were covered by lend lease requisitions filed by the Government of India with the Foreign Economic Administration and which were under contract, or were completed, but had not been transferred, on September 2, 1945 Such transfer will be made in the quantities and according to the specifications and other conditions, except as to time of delivery, set forth in the covering requisitions, to the extent that such articles are or will be available to the Government of the United States for transfer to the Government of India. Title to the articles covered by this paragraph shall pass to the Government of India immediately upon loading of the articles on board ocean vessel in a United States port, provided that risk of loss not recoverable from the supplier, carrier or other third party, shall be assumed by the Government of India upon shipment from the factory or other premises of the supplier Title to any articles that shall not have been loaded on board ocean vessel in a United States port prior to midnight on July 31, 1946, or two months after receipt by the Government of India of notice of availability, whichever is later, shall be deemed to have been transferred as of such later date, and thereafter the Government of India shall be responsible for storing and moving such articles within the United States and for delivering such articles abroad ocean vessel in a United States port. The Government of the United States will pay the cost of ocean transportation to India on United States flag vessels only of such of the articles covered by this paragraph as are loaded aboard ocean vessel prior to July 1, 1946.

(c) The Government of the United States shall be deemed to have acquired, as of September 2, 1945, full title, without qualification as to disposition or use, to all reciprocal aid articles in the possession of the Government of the United States on that date, and to all articles furnished to the United States armed forces in India after that date, except that any reciprocal aid articles or other articles furnished to the United States armed forces in India and incorporated into installations in India are hereby deemed to be returned to the Government of India as of the date the United States armed forces relinquish possession of such installations

5 (a) The Government of the United States, in paragraph 12 of the Agreement relating to Military Holdings (No IV), dated March 27, 1946, between the Governments of the United States and of the United Kingdom, recognized that a proportion of the United Kingdom lend lease military holdings in India would be earmarked as of April 1, 1946 for the requirements of the forces under command of the Commander-in-Chief (India, and consented to the transfer of such holdings by the Government of the United Kingdom to the Government of India In that Agreement, it was stated that the conditions governing the use and disposal of the lend lease articles so earmarked would form the subject of negotiations between the Governments of India and of the United States The transfer to the Government of India of those articles is hereby effected and the privileges of the Government of the United Kingdom and its obligations to the Government of the United States under that Agreement with respect to such articles are no longer operative The privileges of the Government of India and its obligations to the Government of the United States with respect to such articles shall be those defined in this Agreement and shall be compatible with the principles of international security and welfare set forth in the Charter of the United Nations

(b) The Government of the United States hereby agrees that the lend lease Harvard (AT 6 or AT 16) and Cornell (PT 26) aircraft and related spares now in the possession of the Royal Indian Air Force shall be treated in the same manner, and shall be subject to the same privileges and obligations, as the lend lease articles covered by paragraph (a) above

(c) The articles described in paragraphs (a) and (b) above will be referred to in this Agreement as "lend-lease articles in the possession of the armed forces under command of of the Commander in Chief, India"

(d) The Government of the United States hereby consents to the transfer for purposes compatible with the principles of international security and welfare set forth in the Charter of the United Nations, of any lend lease articles in the possession of the armed forces under command of the Commander in Chief, India, to the United Kingdom armed forces without prior authority of the Government of the United States subject to the following understandings —

(i) Subsequent reports, in such practicable form and detail as may later be mutually ernment of India the question of requiring prior consent of the Government of the United States,

(ii) The Government of the United States reserves the right to reopen with the Government of India the question of requiring prior consent of the Government of the United States to such transfer should there be a material change in the existing arragnements between the United Kingdom armed forces and the armed forces of the Government of India

(e) The Government of the United States, with respect to lend lease articles in the possession of the armed forces under command of the Commander in Chief India reserves the right to recapture any such articles which, as of the date upon which notice requesting return is received by the Government of India, are in the possession of the armed forces under command of the Commander in Chief, India, although the Government of the United States will give reasonable notice of its intention and will provide In respect of cases where it wishes from time to time to exercise its right of recapture, the Government of the United States will give reasonable notice of its intention and will provide full opportunity to the Government of India for discussion of that Government's need for the articles in question without limiting the right of recapture

(f) The Government of India will not, without prior consent of the Government of the United States, or except as specifically provided in this Agreement transfer lend-lease articles in the possession of the armed forces under command of the Commander in Chief, India, to any other government outside India for military use, or dispose of such articles for civilian use outside India, whether by sale, loan or otherwise, but such articles may be transferred, used or disposed of in India without restriction Transfers made under provisions of this paragraph will be made only for purposes compatible with the principles of international security and welfare set forth in the Charter of the United Nations

(g) Those articles in the United Kingdom military holdings in India which have been or may be declared by the Government of the United Kingdom as surplus to its requirements are to be retransferred for civilian use in India to the Government of India, and the Government of the United States, in consideration of the mutual undertakings described in this Agreement, hereby consents to the retransfer to the Government of India of such articles for civilian use in India, and the Government of India may, without restriction, use in India, or dispose of for use in India, any such articles, without giving rise to any liability to the Government of the United States. It is recognised by the Government of the United States that the estimates provided by the Government of India of the types and quantities of the articles covered by this paragraph represent an indication

of the order of the quantities involved which, although providing a fair measure of the overall amount covered, will be subject to variations as to particular items and quantities.

6 (a) The Government of India hereby assumes responsibility for the settlement and payment of claims against the Government of the United States or members of the United States armed forces arising from acts or omissions occurring before June, 1, 1946, in the course of military duties of members of the United States armed forces in India to the same extent as the Government of India assumed responsibility under reciprocal aid prior to September 2 1945.

(b) Except as provided in this Agreement, financial claims between the two Governments arising out of existing arrangements, where the liability for payment has heretofore been acknowledged and the method of computation mutually agreed are not covered by this settlement as they will be settled in accordance with such arrangements.

(c) Notwithstanding any other provisions of this Agreement the following claims will be settled in accordance with procedures already established or to be established after appropriate discussion:

(i) claims arising out of cash reimbursement lend lease requisitions filed by the Government of India and

(ii) claims arising out of lend lease requisitions for locomotives and rolling stock which the Government of India agreed to pay for the postwar use of such equipment.

(d) In consideration of the undertakings in this Agreement, and with the objective of arriving at as comprehensive a settlement as possible and of obviating protracted negotiations between the two Governments, all other financial claims whatsoever of one Government against the other which arose out of lend lease or reciprocal aid, or otherwise arose on or after September 2 1939 and prior to September 2 1945 out of or incidental to the conduct of World War II and which are not otherwise dealt with in this Agreement are hereby waived and neither Government will hereafter raise or pursue any such claims against the other.

7 (a) The Government of the United States in consideration of the mutual undertakings described in this Agreement hereby acknowledges that the Government of India has acquired full title to all United States property in India which has heretofore been declared to the Office of the Foreign Liquidation Commissioner United States Department of State as surplus to the requirements of the United States Department of State or the United States War or Navy Departments and which has heretofore been delivered to the Government of India or is in the process of being delivered to the Government of India and will hereafter acquire full title to all United States property in India hereafter declared to the Office of the Foreign Liquidation Commissioner United States Department of State as surplus to the requirements of the United States Department of State or the United States War or Navy Departments.

(b) The Government of India will undertake and vigorously prosecute a programme of disposal of the property described in paragraph (a) above with a view to obtaining the best possible return therefor but such disposal shall be in conformity with such directives as the Government of India has issued and may issue from time to time which apply equally to the disposal of its own surplus and those of the Government of the United Kingdom. This disposal programme will be so conducted as to accord the same treatment to the property described in paragraph (a) above and to surpluses of the Government of the United Kingdom located in India and of the Government of India. Members and veterans of the United States armed forces in India, United States agencies citizens corporations firms and non profit institutions in India and the United Nations Relief and Rehabilitation Administration will be accorded opportunity to buy on the same basis as is accorded to other buyers of like character in India.

(c) The Government of India agreed to report to the Government of the United States at quarterly periods beginning September 30 1946, the amount of proceeds in rupees arising from the disposal of the property covered by this section. The term "proceeds" as used herein means the gross proceeds received by the Director General of Disposals of the Government of India from the sale of such property *minus* the normal customs duties paid by buyers of imported goods, as collected by the Government of India through inclusion of such customs duties in the price of the property sold. Any of the property covered by this section which the Director General of Disposals sells to any department of the Government of India shall be priced in the same manner as property sold to other parties in India.

(d) Disposal of the property covered by this section shall be continued until such time as the Government of India determines that further disposal cannot be made on a profitable basis. At the time such determination is made, or July 1, 1948, whichever is earlier, the Government of India will render to the Government of the United States a final report of the proceeds in rupees received by the Government of India for the property covered by this section.

(c) Upon rendition of the final report described in paragraph (d) above, the Government of the United States shall become entitled to an amount equal to one half of the excess of the proceeds described in the final report over a sum equivalent to $50,000,000 converted at the rate of exchange between dollars and rupees now in effect. The Government of the United States will receive the amount to which it is entitled by any of the following methods or by any combination thereof designated by the Government of the United States —

(i) delivery of title to the Government of the United States by the Government of India, of real property and improvements of real property in India as selected and determined by agreement between the two Governments,

(ii) by establishment of a rupee fund for expenditure by the Government of the United States, in accordance with agreements to be reached between the two Governments, for carrying out educational and cultural programmes of benefit to the two countries,

(iii) should any balance remain after meeting the requirements described in paragraphs (i) and (ii) above, by payment in rupees to the Government of the United States for defraying the governmental expenses of the United States in India

(f) The Government of India agrees that it will not cause the exportation to the United States, its territories or possessions, of any of the surplus property covered by this Agreement in the same, or substantially the same form, if such property was originally produced in the United States and is readily identifiable as such, and agrees that it will not resell any of the property concerned to any person, firm or government for the purpose of export to the United States, its territories or possessions, contrary to any statute or regulation of the Government of the United States as notified by the Government of the United States

(g) The provisions of this Agreement supersede all previous agreements between the Governments of India and of the United States relating to United States surplus property

8 The Government of India, when it disposes of articles acquired pursuant to paragraphs 4(a), 4(b), 5(g) and 7(a) of this Agreement, will use its best endeavours to avoid discrimination against the legitimate interests of the United States manufacturers or producers of such articles, or their agents or distributors in India

9 The Government of India reaffirms its intention to negotiate at a future date for the use and convertibility of rupee balances held by the Government of the United States in India, as a consequence of the disposal by the Office of the Foreign Liquidation Commissioner, of United States surplus property in India not covered by this Agreement Pending such negotiations, these rupee balances may be used to defray governmental expenses of the Government of the United States in India

10 Nothing in this Agreement affects any obligation entered into by the Government of India in connection with any silver trasferred by the Goverment of the United States under lend lease

11 This Agreement shall take effect as from this day's date

DONE, in duplicate, at Washington this sixteenth day of May 1946

FOR THE GOVERNMENT OF INDIA

A A WAUGH,
Member for Industries and Supplies,
Viceroy's Executive Council, Government of India

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA

DEAN ACHESON,
Acting Secretary of State,
of the United States of America

Pandit Lakshmi Kanta Maitra: When the American Government left these surpluses, did they indicate to the Government of India that they should supply them to charitable institutions at 40 per cent. cost?

The Honourable Sri C. Rajagopalachari: The Agreement that was entered into with America makes it clear that the disposals policy with reference to their surplus should be in conformity with that which we follow with reference to His Majesty's Government disposals Apart from that, the question relating to charitable institutions stands thus: America in her own country is disposing of in favour of charitable institutions giving them priority after satisfying States demands, that is to say, in category No. II. We have found that they generally give them at 40 per cent. of the book values. As a matter of fact, ordinary

disposals do not reach up to that so that the concession really comes to nothing. I have already said that in regard to the claims of charitable institutions it is the considered view of this Government that it would be more appropriate to dispose of the question of half on merits in the relevant department than by allowing disposals to be carried on without plan, thereby creating probably unequal treatment to various institutions

Mr. Krishna Chandra Sharma: What proportion of the demands of charitable institutions have been met?

The Honourable Sri C. Rajagopalachari: If notice is given, I shall try to find out the proportion

Sardar Mangal Singh. Have the Government got any list of charitable institutions?

The Honourable Sri C. Rajagopalachari: There is a fairly long list, but it is generally prepared on their own statements

Pandit Lakshmi Kanta Maitra: Is it a fact that American Government gave in charity certain medical equipments to certain tuberculosis hospitals in India?

The Honourable Sri C. Rajagopalachari. The procedure is this, that the declaring authority in possession declares surpluses and places them at our disposal The Government of India have to deal with them according to disposals policy I do not think the American Government could make disposals independently on parallel lines and create difficulty But if the Honourable Member will give precise points to be investigated, I shall do so

RESEARCH IN IMPLEMENTS FOR SUGARCANE CULTIVATION AND IN TRACTORS, ETC.

‡565. ***Dr. Zia Uddin Ahmad:** (a) Will the Honourable Member for Industries and Supplies be pleased to state how many licenses for Spinning Factories having no spindles were issued by the Government of India?

(b) To whom were these licenses granted?

(c) Are Government aware of the necessity of relieving handloom industries from the mercy of textile industry?

The Honourable Sri C. Rajagopalachari: (a) 113

(b) A list showing the names of the licencees is placed on the table

(c) Government have made provision by directing that at least 25 per cent. of the new spindles installed shall be left uncovered by looms If the handloom weavers take in larger numbers to handspun yarn, the independents contemplated by the Honourable member will be achieved in great measure A great deal of education in this respect has been done for some years past

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List showing the names of the parties to whom licences for new spinning mills have been issued—referred to in reply to part (b) of question No 565

(1) Messrs Vahbhai Kamruddin, 101, Abdul Rehman Street Bombay (2) Messrs. Doongursee & Sons, Bombay Bazaar Street, Karachi (3) P H Gidwani Esquire, Dunolly Road, Karachi (4) The Secretary to the Government of Assam, Planning & Development Department, Shillong (Assam) (5) Messrs Jalan Textiles Ltd , Tinsukia (Assam) (6) B Patnaik Esquire Promoter—Messrs Orissa Textile Mills Ltd , Anand Bhuvan, Tulsipur, Cuttack (7) Sri Pyari Shanker Roy Promoter—Promotor—Messrs Orissa Cotton Mills, Ltd , Chowduri Bazaar, Cuttack (8) Messrs Madanlal Sohanlal, Merchants, 7-Lyons Range, Calcutta (9) Messrs—Shri Bhawani Utkal Cotton Mills, Ltd , (Usha Textile, Ltd), 18, Mullick Street, Calcutta (10) M M Ispahani Esqr , 51, Ezra Street, Calcutta (11) Emerald Cotton Mills Ltd , 7 Mission Row Extension, Calcutta. (12) Messrs, C K. Ghosh & Co , Promoters—Dhaleswari Cotton Mills, Ltd , Norton Buildings, Calcutta (13) Adarsha Cotton Spg , & Wvg , Mills, Ltd., 15, Ramkrishna Mission Row, Dacca. (14) Calcutta Engineering Co , Ltd., British Indian Street, Calcutta. (15) Bengal Fine Spg & Wvg,

‡ Could not be reached during the second round.

Mills, Ltd , C/o B C Nawan Esquire, 7, Bow Bazar Street, Calcutta (16) Dost Mohommed & Bros., Eastern Bengal Textiles Ltd , 65, Colootola St , Calcutta (17) Free India Agency Ltd , (Taj Mahal Cotton Mills, Ltd), 4, Commercial Buildings, Calcutta (18) Sri Annapurna Cotton Mills, Ltd , 214, Cross Street, Calcutta (19) Alamgir Cotton Mills, Ltd., 6/3, Madan Street, Calcutta, 13 (20) Sarat Textiles, Ltd , 12, Umakanta Sen Lane, Cossipore, Calcutta. (21) Islam & Co , 15, Clive Row, Calcutta (22) D N Choudhary Cotton Mills, Ltd , 23, Hurro Chunder Mullick Street, Calcutta (23) Hindusthan Development Corp , Ltd , C/o N R Sircar, 6 A, Surendra Banerji Road, Calcutta (24) Bengal Cotton Mills, Ltd , 15, Clive Street, Calcutta (25) H Sitaram Reddy Esqr , Rayalaseema Mills, Ltd , Krishnamachari Road, Bellary (26) Sri K S, Krishnamurty, Kamalapuran Spg & Wvg Mills, Kamalapuram (Cuddapah District) (27) Sri Rao Bahadur Y Mahabaleswarappa (Karnatak Spg & Wvg Mills, Ltd), President, Karnatak Chamber of Commerce, Bellary (28) Sri M L Narayanaswami, (Rayalaseema Textiles) Distiller, Tadpatri (29) L G Balakrishna Esq , Anantapur Spg & Wvg Mills, Ltd , Kongunagar Tirupur, (Coimbatore Dist) (30) M Madhava Rao Esq , (Tungabhadra Textiles Ltd , Kurnool), 4, Griffith Road, Madras (31) Sri A M M Sinnamani Nadar, Cotton Merchant, (Tuticorin Spg & Wvg Mills, Ltd), Tuticorin (32) A R M Velayutha Mudaliar Esq , (Kartikeyan Mills, Kurnool), Anand Vilas, Ambasamudram (33) S M Rama Subramania Iyer and S Chenniappa Mudaliar (India Textiles Ltd), Mudaliappauram St , Kallidaikurichi, (Tinnevelley District) (34) S S Arunachalam Pillai, Esq (Sri Ganapathi Mills), Mada Street, Tinnevelley (35) S S Natarajan Esq , (South India Textiles Ltd), 2/21, 1 Line Beach, Madras (36) S B P Pattabhai Rama Rao Esq , B A , B L Cross Leigh Luz, Church Road, (Rambhadra Textiles Ltd), Mylapore, Madras (37) Y Ramakrishna Prasad, B A (Hons), B L (Krishna Textiles Ltd), 5, Venkatnaravan Road, Thyagarajanagar, Madras (38) P S Mani Ayyar, Esq , (Sri Nivas Mills Ltd), 4, Mandayan Asari Lane, Madura (39) Cannanore Spg & Wvg Mills Ltd , Cannanore, Malabar (4) J Loomchand Sait, (Peerdan Textiles Ltd), Peerdan Building, Tennur (Trichinipoly) (41) M/s M A Govindaraja Mudaliar & K M Manika Mudaliar & Co , (Rajeswari Mills Ltd), Fast Colour Yarn & Lungi Merchants, Dharmum Pet Gudiyattam (42) G Subramania (Pillai Murgannanda Mills, Ltd), Golden Palace, West Car Street, Tinnevelley (43) Kandan Textiles Ltd , 8 Second Line Beach, Madras (44) K Venkatsami Navadu, Director Janardan Mills, (Sri Kannabiran Mills, Ltd), Singanallur, (45) Sri R Doraiswami, L T M (Sri Ramakrishna Mills), P B No 11, Coimbatore (46) Sri V Ramaswami Nayudu, (Kadiri Mills, Ltd), Upplipalayam, Singanallur (47) Guntur Narasimharao (Hemiatha Textiles, Ltd), 20, Govindappa Naik Street, Madras (48) Aaron Spg & Wvg Mills, Panimisalri (N Malabar), (49) Chandi Spinning & Weaving Mills, Ltd , (Promoter Mr G V Deshmukh), Ellichipur (50) Mr D B Copaldas Mohota (Promoter of Messrs The Ganga Cotton Mills, Ltd), Akola (51) Messrs Savatram, Sons, Ltd , (Promoters of Messrs The C P Textiles Ltd), Akola (52) G S Nevatia Esq , (Messrs Khaitan Navatia & Co) Pulgaon (53) Jayshree Textiles Mills, Ltd , 8 Royal Exchange, Calcutta (54) M/s Madho Prasad Manmohandas, Rani acharipti23 ffiY& cshm ex Messrs Sardar Bahadur Sardar Ujjal Singh, (The New India Industrial Corp Ltd), 94, The Mall, Lahore (56) Mian Arshad Hussain Esq , B A (Cantab), and Others (The Taxila (Textiles) 56, Jail Road, Lahore, (57) Rai Bahadur Jodhamal Kuttalia, 1, Jodha Mal Road, Lahore (58) Lala Karam Chand Esq , C/o Messrs Karam Chand Thapar & Co , Mcleod Road, Lahore. (59) Sir Indra Singh & Sons Ltd , Post Box No 2343, Calcutta (60) Syed Amjad Ali Esq , Ashina Canal, Bank, Lahore (61) Sheikh Sadiq Hussain, Esq , Amritsar (62) Y H Puri Esq , C/o Y R Puri & Co , Temple Road, Lahore (63) Sh Mohmad Ismail & Others, C/o, M/s Colony Textile Mills Lyallpur (64) Hindustan Rayon Woollen Textiles Mills, Ltd , Amritsar (65) Pampat Woollen Mills, Kharar (Dist Ambala) (66) India Reconstruction Corp Ltd , Promoter Sir Hargovind Misra, Kt O B E , Cawnpore (67) Bihar Spg & Wvg Mills, Ltd , 15, Clive Street Calcutta (68) Star Textiles Ltd , New Kadam Kuan, Patna (69) Laxmi Textile Mills, Ltd , 8, Jagmohan Mullick Lane, Calcutta (70) Bejoy Cotton Mills, 6, Old Post Office St , Calcutta (71) Surendra Textiles, Gava C/o Hirjee Mills Ltd , Bombay (72) Jayshree Textiles, Royal Exchange Place Calcutta (73) The Managing Director, M/s Arons & Co The Associated Industrial Corporation, Ltd Patna. (74) Ratilal Vardhman Shah Esq , C/o Kanti Cotton Mills, Wadhwan (75) Shantilal Mangaldas Sheth Esq , C/o Jehangir Vakil Mills, Ltd Outside Delhi Gate, Ahmedabad (76) M/s Gopaldas Parikh & Others, (Fabrics Ltd), Danji Shah's Pole, Cambay (77) M/s United Commercial Corp Ltd , C/o Lukman Wvg Works Khairpur Mir's (Sind) (78) M/s Abbasi Textile Mills Ltd , (Promoters His Highness' Govt Sir William Roberts & Others) Rahimyarkhan, Bahawalpur (79) M/s Karamchand Thaper & Bros. Ltd 5, Royal Exchange, Calcutta. (80) Jyotibhushan Gupta, Esq , Azmatgarh Palace, Benares. (81) The Development Member, (Promoter : New Textile Mills Ltd), State Council, Seraikela State (82) B. N Das Gupta, Esq , Promoter Mayurbhanj Textiles Ltd., Baripada (Mayurbhanj Textiles) (83) M/s Ashok Textiles & Industries Mills Ltd , 152, Shehlata Ganj Indore City. (84) The Secretary, Industrial Trust Fund, H E H The Nizam's Govt. Temporary Secretariat Bldgs., Mint Compound, Hyderabad (Dn.). (85) M/s. Kapila Textile Mills, Ltd , Old Methodist Mission School Bldg., Gandhi Square, Mysore. (86) M/s. Shree Shankara Textile Mills, Ltd., Davangere. (87) M/s Ananth-

laxmi & Co, South Maxi Street, Madura (88) M/s Algappa Textiles, Ltd, Alwaye, Managing Director Dr R. M Alagappa Chettiar, M A, D Litt LL.B, Bar-at-Law, Travancore State (89) Sir Chinubhai Madhavlal Ranchodlal Baronet, Nobel Chambers, Parsi Street, Fort Bombay (90) Balaram Varma Textiles, Ltd, Travancore (91) M/s. S Palat & T M Menon, (Promoters Vanaja Mills) Trichur (92) Rao Sahib C P Lonappan, Merchant, Trichur (93) T K Kodandarama Iyer, Esq, (Promoter Cochin Maharaja Mills, Cochin State) Trichur (94) M/s Shamji Karansi & Co, 27, Chinch Bander, Bombay (9) (95) M/s Emcete & Sons (Pudukkottai) Ltd, Managing Agents The Pudukkottai Textiles, Ltd, 3086, East Main Street, Pudukkottai (96) M/s The Dawood Mills, Ltd, Pudukkottai (97) M/s P Suryanarayana & Partners, 75, Godown Street, George Town, Madras (98) M/s Birla Bros, Ltd, Gwalior (99) M/s J P Srivastava & Sons Ltd, Cawnpore, (Promoters. M/s Sadal Textiles, Ltd, Bikaner, Cawnpore) (100) M/s Birla Bros Ltd, (Promoters: Dholpur Textiles, Ltd), Dholpur (101) M/s Rajesthan Investment Corp, Ltd, (Promoters Shree Raj Pratap Textiles, Ltd), Alwar (102) D S Patel Esqr, (Palanpur Darbar Mills, Palanpur C/o Bombay Alliance Assurance Co, Ltd, M Yusuf Bldg, Mahatma Gandhi Road, Fort, Bombay (103) Sheth Chaturbhujdas Chunilal Esq, Krishna Kung, Race Course, Baroda (104) The Managing Agents, M/s The New India Industries, Ltd, Jetalpur Road, Baroda (105) M/s Kamalpat Motilal, Post Box No 69, Cawnpore (106) H M Sami Esq, Post Box No 111, 68 Cantonments, Cawnpore (107, Rao Bahadur G M Modi, Begumabad, Modi Nagar (U P) (108) Deep Chand Esq, M L C, Muzaffarnagar (U P) (109) M/s Dhan Singh Bisht & Sons, Jeolikote, Nainital (110) M/s Narainda Gopaldas, Dawarkadish Road, Cawnpore (111) M/s Standard Mills Allahabad, Ltd, 48, Rani Mandi, Allahabad (112) M/s Murarilal Brothers, Gorakhpur (113) Brij Beharilal Tandon, Esq, Mam Nath Bhanjan, Azamgarh (U P)

RISE IN PRICE OF PADDY AND RICE

†566. ***Prof. N. G. Ranga**: Will the Secretary of the Food Department be pleased to state

(a) whether it is a fact that the Madras Governments' representative has pleaded at the recent All-India Conferences convened by the Government of India for a rise in the prices of paddy and rice,

(b) whether it is a fact that the Madras Government have sent a telegraphic S O S during December 1946—January 1947 requesting the Central Government's compliance with their proposal to raise the prices of paddy and rice in order to make them remunerative, and

(c) whether Government propose to accede to their request and thus assist them in developing the Grow More Food Campaign and in assuring peasants a remunerative price level?

Mr. K L. Panjabi: (a) to (c) The attention of the Honourable Member is invited to the reply given by me to his starred question No 228 on the 12th February 1947 and to starred Question No 251 asked by Sri M Ananthasayanam Ayyangar on the same date

PUBLICITY OF THE REPORT OF FAMINE ENQUIRY COMMITTEE

†567. ***Prof. N. G. Ranga**: Will the Secretary of the Food Department be pleased to state

(a) whether a short brochure containing the summary of recommendations made in their final Report by the Famine Inquiry Commission (1945) is proposed to be published for giving greater publicity to them, and

(b) whether Government propose to publish half-yearly reports of the action taken by the Central and the Provincial Governments on these recommendations?

Mr. K. L. Panjabi: (a) A summary of the recommendations made in their final report by the Famine Enquiry Commission (1945) is contained in the body of the Report, a copy of which is available in the Library. But if it is the desire of the House, the Government will be prepared to publish these recommendations in the form of a brochure

(b) The Central Government propose to publish annual reports of the action taken by the Central and Provincial Governments on these recommendations.

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† Answer to this question laid on the table, the questioner being absent.

RESEARCH IN IMPLEMENTS FOR SUGARCANE CULTIVATION AND IN TRACTORS, ETC.

†568. *Prof. N. G. Ranga: Will the Secretary of the Department of Agriculture be pleased to state

(a) if there is any institution for carrying out research (i) in the implements required for sugarcane cultivation, and (ii) in the mechanical means such as tractors suitable for sugarcane cultivation large and medium sized farms in this country,

(b) whether there is any publication put out by the Agriculture Department giving the developments so far carried out on the above lines, and

(c) if the answer to part (a) (ii) is in the negative what steps Government propose to take to devise and popularise such new machinery suited to Indian conditions?

*Sir Pheroze Kharegat. (a) There is no institution carrying on research on agricultural implements and machinery specifically for sugarcane but most provincial agricultural engineering departments as well as the recently started agricultural engineering division at the Indian Agricultural Research Institute carry out such research in respect of crops in general

(b) A monograph on "Mechanical Cultivation in India was published by the Council of Agricultural Research in 1935 and a note on the work since carried out at Karnal is under preparation

(c) A Tractor Testing Station at Karnal will be set up shortly to carry out detailed investigations and tests on different types of power-operated agricultural implements and tractors commonly imported into India with a view to finding out in what directions modifications, if any, are necessary to suit Indian conditions with special reference to soil conditions obtaining in the Indo-Gangetic region which comprises the principal sugarcane growing areas.

ALLUMINIUM PLANT FOR INDIA

†569. *Mr. Sasanka Sekhar Sanyal: Will the Honourable Member for Industries and Supplies be pleased to state

(a) whether the attention of Government has been drawn to the observations made in the draft report of the Heavy Chemical and Electro-Chemical Industries Panels of the Government of India that in the matter of Aluminium "India should hold a leading position in the world, but very little progress has been possible for want of very cheap power which is essential and is the determining factor",

(b) whether attention has been also drawn to the further observation that "Government are, therefore, requested to arrange for another aluminium plant of 5,000 tons immediate capacity, ultimately to be raised to 8,000—10,000 tons near a source of power supply",

(c) the advantages and disadvantages in the matter of extracting aluminium from Bauxite available in India and the location of known bauxite sources within the country,

(d) the number and names of companies (with places) which are now operating in the country for purposes of manufacturing aluminium and whether such companies are Indian or non-Indian,

(e) the number and names of the Indian companies which have asked for permission for capital issues for purposes of manufacturing aluminium and how their applications stand; and

(f) what steps are being taken by Government for encouraging and facilitating Indian enterprises in the direction indicated by the Panels referred to in part (a) above?

†Answer to this question laid on the table, the questioner being absent.

The Honourable Sri C Rajagopalachari: (a) Yes

(b) Yes

(c) The first part of the question is not easy to understand Bauxite is the only indigenous source from which aluminium is extracted in the country, but the oares vary in purity and admixture with other matter Ample resources of bauxite exist in India and the localities of deposits in general are, as far as known Belgaum, Kolhapur State, Bikaner State, Jammu (Kashmir), Bhopal Agency, Jubbulpore and Belaghat Districts, Chattisgarh Feudatory States, Jashpur State Palamau and Ranchi Districts and Shevaroy Hills (Salem, Madras)

(d) There are two companies at present engaged in the manufacture of aluminium, *viz* , (1) The Indian Aluminium Co , Ltd , Calcutta, and (2) The Aluminium Corporation of India Ltd , Calcutta The capital of the Indian Aluminium Co is 38 per cent British, 31 per cent Canadian and 31 per cent. Indian The Aluminium Corporation of India is completely Indian

(e) Three companies have asked for permission and consent orders have been issued in favour of two companies, *viz* , The Indian Aluminium Co , and the Aluminium Corporation of India An application for a further issue from the latter is under examination The third application is from Messrs Singhi Aluminium Co Ltd , Calcutta, and is under consideration.

(f) Much preliminary work has to be done before, the recommendations of the Panels in question reach the implementation stage This preliminary examination is nearly complete and the actual implementation of such proposals as are accepted will be taken up after Government have decided which of these recommendations should be accepted

The existing procedures are however assisted in the procurement of raw materials, machinery, and technical advice with a view to increasing their production Technical guidance is also given to new concerns where it is required

SINKING OF WELLS AND TUBE-WELLS IN BIHAR

570. *Mr Madandhari Singh: (a) Will the Secretary of the Department of Agriculture be pleased to state how many wells and tube-wells have been sunk and how much more land has been brought under cultivation as a result of the "Grow More Food" campaign in Bihar?

(b) Is it a fact that the Government of India offered to raise the subsidy to 50 per cent of the cost of sinking wells and if so, have the Government of Bihar availed of this offer? If not, what is the reason therefor?

Sir Pheroze Kharegat: (a) 194 open wells and 73 tube-wells were reported in November last to have been sunk in Bihar 5,282 acres have been brought under irrigation already as a result of these wells The average area under principal foodgrains in Bihar during the last three years increased by nearly 1½ lakh acres as compared with the corresponding area during the three years preceding the war

(b) The subsidy granted to the cultivators for sinking wells is shared equally by the Provincial and Central Governments subject to the Central Government's share not exceeding 25 per cent of the total cost in the case of surface wells. The Bihar Government have been granting to the cultivators subsidies equal to 50 per cent of the total cost of such wells

CONGESTION OF PASSENGER TRAFFIC FROM BUXAR TO MOKAMEH ON E I RAILWAY

571. *Mr Madandhari Singh: (a) Will the Honourable Member for Railways be pleased to state whether Government are aware that there is abnormal crowding of passenger traffic on the main line of the East Indian Railway from Buxar to Mokameh as there are only two passenger trains running in each direction?

(b) If the answer to part (a) is in the affirmative, do Government propose to take necessary steps to run at least one more passenger train in each direction to relieve the congestion of passenger traffic on that line?

The Honourable Dr. John Matthai: (a) Yes Most of the more important stations on this section, however, are served by three trains in each direction

(b) The question of introducing an additional train is under consideration by the East Indian Railway Administration and will be given effect to as soon as the stock position permits

DISMANTLED RAILWAY LINES IN BIHAR

572. ***Mr. Madandhari Singh:** (a) Will the Honourable Member for Railways be pleased to lay on the table of the House a list of the Railway lines that were dismantled in Bihar during the period of the War?

(b) What steps have been taken to re-construct those lines?

The Honourable Dr. John Matthai: (a) Only two Branch lines in Bihar, *viz*, (i) Bhagalpur-Mandar Hill, and (ii) Tinpahar-Rajmahal, were dismantled during the world war, as shown in the statement placed on the table of the House

(b) The restoration of these Branch lines was not recommended by the Provincial Government in the first instance, as it was felt that the needs of the public would be met by Provincial highways, which served these areas They have, however, recently asked for these Branch lines to be restored, and the matter is now under correspondence with the Railway

STATEMENT

	Miles
(i) Bhagalpur Mandar Hill—B. G	30½
(ii) Tinpahar Rajmahal—B. G	7

SHORTAGE OF SUGAR IN BIHAR AND INDIA

573. ***Mr Madandhari Singh:** (a) Will the Secretary of the Food Department be pleased to state the reason for the shortage of sugar in the country and particularly in Bihar?

(b) What steps are taken by Government to make sugar available in the market at the controlled price?

Mr. K L Panjabi: (a) The shortage is due to decrease in production of factory sugar which is partly due to a reduction in sugarcane area, and partly to the increased proportional conversion of cane into *gur* and *khandsari* which have been fetching high prices There is also an increased demand owing to a change in the habits of the people

(b) The Government of India allocate the produce of the sugar factories to the Provincial Governments which are then responsible for the internal equitable distribution of the quota received Many Provincial Governments have taken steps for such distribution, including the statutory rationing of sugar in urban areas

Pandit Lakshmi Kanta Maitra: Will the Honourable Member give the figures of production for the last year?

Mr. K. L. Panjabi: The production during 1945-46 was 9·5 lakhs tons.

Sardar Mangal Singh: At what price the Government will be importing sugar from the United States of America?

Mr. K. L. Panjabi: The latest information received is that the price will approximate to the price ruling in India at present

Sardar Mangal Singh: May I know if Java sugar is expected in this country?

Mr. K. L. Panjabi: No, Sir

Pandit Lakshmi Kanta Maitra: What is the actual deficit?

Mr. K. L. Panjabi: It is very difficult to estimate the deficit, but in 1943 the production of sugar in India was 12 2 lakhs tons and as I have already mentioned, last year, it was 9 5 lakhs of tons

Sardar Sampuran Singh: Is there any intention to import Java sugar next year?

Mr. K. L. Panjabi: Java has not declared a surplus of sugar and so we cannot take any steps

Pandit Lakshmi Kanta Maitra: Did Government import any sugar last year?

Mr. K. L. Panjabi: We tried to import but were not successful

LIFTING OF CONTROL ON KEROSENE OIL

574. ***Mr. Madandhari Singh:** Will the Honourable Member for Industries and Supplies be pleased to state whether Government propose to lift the control on kerosene oil? If not, why not?

The Honourable Sri C. Rajagopalachari: The question has been transferred to the List of questions for the 4th March 1947, when it will be answered by the Secretary of the Works, Mines and Power Department

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Mr. President: I cannot consider the answer given to Question No 574 as an answer to his question and so I propose to allow Mr Madandhari Singh to put his next question No 575, even though it is his sixth question

WITHDRAWAL OF PETROL RATIONING.

575. ***Mr. Madandhari Singh:** (a) Will the Honourable Member for Transport be pleased to state whether Government propose to withdraw the petrol rationing order?

(b) If not, do Government propose to take to increase the basic ration?

The Honourable Dr. John Matthai: (a) and (b) The petrol supply position is kept constantly under review, at present Government are in a position neither to withdraw the petrol rationing order nor to increase the basic ration. The factors which govern the situation are substantially the same as were explained in a Press Note published on the 3rd August, 1946

INSPECTION ARRANGEMENTS OF FOODGRAINS BY KARACHI CHAMBER OF COMMERCE

576. ***Seth Sukhdev:** (a) Will the Secretary of the Food Department please state whether it is a fact that inspection of food grains, both imported from abroad and of indigenous origin, going into the Central Depot at Karachi is being carried out by the Karachi Chamber of Commerce?

(b) Is it a fact that this Chamber has no organization of its own for the purpose of analysis of food grains?

(c) Are Government aware that the Chamber issues Inspection Certificate based on the analysis carried out in the offices of its individual members who are also Government storage agents?

(d) Are Government aware that the Sind Government have discontinued getting Inspection Certificates from this Chamber?

(e) Have any cases come to the notice of the Government of India where analys s reports of the Karachi Chamber of Commerce have been found to be inaccurate?

(f) Do Government propose to consider the advisibility of changing their inspection arrangement at Karachi?

Mr. K. L. Panjabi: (a) Yes Sir

(b) and (c) The analysis work of the Karachi Chamber of Commerce is carried out by some of its members Care is taken not to assign inspection work to the members who as agents of the Government of India, are responsible for storage of particular consignments

(d) Yes, Sir

(e) A case has recently come to the notice of Government in which the consignee s report at destination differs from the Chamber s inspection report before despatch But the matter is still under investigation

(f) This is under consideration

Newsprint Quota to certain Newspapers

577. ***Syed Ghulam Bhik Nairang.** Will the Honourable Member for Industries and Supplies please state

(a) the names of newspapers which applied for newsprint quota during the period from 1st Apr l 1946 to 31st December 1946,

(b) the names of the newspapers to which newsprint quota was granted during the said period, stating in each case the quantum of newsprint sanctioned, and

(c) the dates on which newsprint quota was sanctioned for *Ranjit*, *Log*, *Azad* and *Jai Hind*, which are all Urdu daily papers of Lahore, mentioning in each case, the date when the paper first started publication?

The Honourable Sri C. Rajagopalachari: (a), (b) and (c) Newspapers have been released from the obligation to obtain quotas of newsprint from Government with effect from 1st April 1947 But I lay on the table the information wanted in the form of three statements.

Statement showing names of Newspapers which applied for Newsprint quota during the period from 1st April 1946 to the end of December, 1946 referred to in reply to question No 577

(1) Narayan Weekly, Delhi (2) Rashtra Vani, Daily, Ahmedabad. (3) Tamil Journal Monthly, Trichinopoly (4) Chingari, Weekly, Gaya (5) Marma Vani, Monthly, Dacca (6) Krishi Samachar, Monthly Sitapur (U P) (7) Telugu Weekly, Narsapur (Madras) (8) Fortnightly Journal, Chindwara (C P) (9) Film Gazette, Monthly, Delhi (10) Across the Sands, Monthly, Ajmer (11) Film Magazine, Weekly, Madras. (12) Music Follower, Monthly, Bombay (13) Al Balal, Daily Delhi. (14) Urdu Daily, Delhi. (15) Luminous, Monthly, Bombay (16) Jai Hind, Weekly, Allahabad (17) Masood, Weekly, Bahraich (18) Ahle Sunnat Weekly, Lucknow (19) Gaya College Magazine, Quarterly, Gaya. (20) Kamal Kali Monthly, Kasimganj (Assam) (21) Telugu Weekly, Madras (22) Judge Weekly, Delhi. (23) Tamilmani. Weekly, Delhi (24) Pudumai Fortnightly, Trichinopoly. (25) Aftab Daily Delhi (26) Sephir, Weekly Delhi. (27) Cachar Pradip, Weekly, Silchar (28) Pragati, Monthly, Bombay (29) Tamil, Fortnightly, Madras (30) Gulistan, Weekly, Calcutta. (31) Zamindar, Weekly, Aligarh, (32) Desh Sewa, Weekly, Gujranwala (33) Sewak, Weekly, Bilaspur (C. P.). (34) Agricultural Monthly, Bombay. (35) Hafiz, Monthly, Calcutta. (36) Lahore Herald, Weekly, Lahore. (37) Nasha Jyoti, Monthly, Lucknow (38) Jai Hind, Delhi, Delhi (39) Tughlaq, Weekly, Delhi. (40) Daily Newspaper Urdu and Hindi, Allahabad, (41) Tahassum, Monthly, Delhi. (42) Dalit Nawab

(43) Bi monthly Journal, Sind (44) Bandematram, Weekly, Hooghly (45) Khawar, Weekly, Delhi (46) Monthly Journal (Nilgiris), (Madras) (47) Sathi, Monthl , Calcutta (48) Hari Haqdar, Weekly, Hyderabad (49) Gram Udyog Patrika, Monthly, Hyderabad (50) Chatuh Shareni Monthly, Mutiara (51) Hayatay Nao Tri Weekly, Patna (52) Azad Hind, Weekly, Lahore (53) Rang e Anjman Monthly, Delhi (54) Clarion, Daily, Madras (55) Fortnightly Mahajanam, Madras (56) Monthly Magazine, Lahore (57) Adhikar, Weekly, Bhogra (58) Science, Monthly, Bombay (59) Hindi Weekly, Santhal Parganas (60) Praja Bandhu, Weekly, Lucknow (61) Iqlim Weekly, Hyderabad (62) Kanada Harijan, Hubli (63) Navarashtra Daily Patna (64) Young Leader, Weekly Madras (65) Satura, Weekl , Madras (66) A K Girls College Magazine, Khulna (67) Shahistan Monthly, Delhi (68) Sonar Asam, Weekly, Gauhati (69) Tamil Muslim Weekly, Chidambaram (70) Insaf Daily, Bombay (71) Praja Pukar, Bhopal (72) Naseem Monthly, Madras (73) Inkalab Weekly, Nagpur (74) Visva Kairaly Weekly, Madras (75) Hindi Weekly, Santal Parganas (76) Gramadhikari Gazette (77) English Weekly, Poona (78) Jam e Kausar Monthly, Phulwari Sharif (79) Desh Bandhu, Calcutta (80) Monthly Magazine, Patna (81) Monthly Shaundik Ranchi (82) Abul Kalam Daily, Peshawar (83) Subah sadiq, Lahore (84) Health & Vigour, Delhi (85) Jai Hind, Bombay (86) English Daily, Lahore (87) Subh e Nau, Daily, Calcutta (88) New Era in English and Navyug in Hindi, Patna (89) Tamil Muslim Newspaper, Chidambaram. (90) Raij, Nalbari (91) Hindustan, Patna (92) Punjab Market Monthly, Lahore (93) English Daily by K S Pillai (News Chronicle) Delhi (94) New English Weekly, Lucknow (95) New Daily, by Dr C R K Pillai, Madras (96) Weekly Newspaper, Assam (97) Congress Hindi Weekly, Lucknow (98) Jehad, Patna (99) Nai Dunnia, Bombay (100) Spark, Madras (101 Patna Economist, Patna (102) Malayalam Daily Calicut (103) Kamyab, Fyzabad (104) Subhe Watan Bareily (105) College Magazine, Ferozepur (106) Pakistan Weekly, English & Urdu, Bombay (107) Hindu Standard and Hindu Nation, Delhi (108) Tisseem Delhi (109) Bandematram, Trichinopoly (110) Appeal, Bombay (111) Nawai Pakistan, Delhi (112) Weekly Khawara, Delhi (113) Rebel, Delhi (114) Comrade, Delhi (115) Sharq e Jadid Delhi (116) Congress Patra Meerut (117) English Monthly Magazine, Lahore (118) Monthly Magazine Roz Lahore (119) Monthly Magazine by Parshu Ram Nautayal, Bombay (120) Tijarat, Lahore (121) Tirun Karnatak, Hubli (122) Jazhat Weekly, Baghbanpur (123) Muslim Weekly, Mangalore (124) Marathi Daily, Bombay (125) Sadaqat, Peshawar (126) Tamil Weekly, Madras (127) Snatan, Madras (128) Great India, Delhi (129) Kannada, Weekly (130) Monthly Magazine, By K V Desai, Ahmedabad 131 Ghar Kashtkari Weekly, Amritsar (132) Muslim Maru Malachi, Trichinopoly (133) Hilal i Pakistan, Hyderabad (134) Balsakha, Dehra Dun (135) Jagran, Cawnpore (136) Nav Shiksha Meerut (137) Marathi Hindi Weekly, Nagpur City (138) Desh Sewak Monthly, Lahore (139) Hindi Weekl By C D Sevani, Pratapgarh (140) Two Newspapers in English and Urdu by Seth Sudershan and Mr Virendra M L As (141) Thamulai, Coimbatore (142) Dastur, Delhi (143) English Daily Newspaper by Dr Syed Hossain, Delhi (144) Hindi Newspaper Pariclly (145) Unity English Weekly, Calcutta (146) Ekta Bengali Weekly, Calcutta (147) Akash Vani Weekl , Guntur (148) Awakaf Fortnightly, Delhi (149) Hindi Weekly, Cawnpore (150) Free India, Daily Bombay (151) Ladhao Kamgar Weekly Bombay (152) Jai Hind Urdu Daily, Lahore (153) Naya Akhbar Urdu Daily Delhi (154) Neta Ji Bi Monthly, Tanjore (155) Azad Hind Weekl , Cuddapah (156) Weekly Newspaper Lyallpore (157) Naya Sandesh Weekly, Mangalore (158) Indian Chronicle English Weekly, New Delhi (159 Urdu Daily, Mulana (Distt , Amritsar) (160) Pegham Weekly Lahore (161) Bedar Urdu Weekly, Lahore (162) Desh Bhagat Weekly, Jullunder (163) Fortnightly Newspaper, Karachi (164) Janashakti Weekly, Hubli (165) Andhra Herald Weekly Madras (166) Punjab Daily or Weekly, Lahore (167) Tamil Daily Coimbatore (168) Parvaz Urdu Monthly Jhang (Punjab) (169) Northern Times English Daily, Jullunder (170) Jai Hind Hindi Daily, Delhi (171) Minar Bengali Daily, Sylhet (172) Beopar Samachar weekly, Arifwala (173) Cholai, Weekly, Conjeevaram (174) Ranjit Daily Lahore (175) Naween Zindgi Weekly, Lahore (176) Daily Newspaper, Calcutta (177) Times Weekly Lahore (178) Law Review, Calcutta (179) Adarsh Urdu Monthly Lahore (180) Geeta Jayanti, Hindi Urdu Monthly, Lahore (181) Mahapursha Monthly, Assam (182) Azad Hind Weekly, Rewari (Distt Gurgaon) (183) Filmo Fortnightly, Lahore (184) Ziarat Urdu Weekly Lahore (185) Minchu Monthly Hubli (186) Parhat Daily Hyderabad, (Sind) (187) Siraj Monthly, Madras (188) Film Light Delhi (189) Subhovatan Bi Weekly, Delhi (190) A Daily Urdu Quetta (191) A Hindi Weekly, Karachi (192) Indian Women, Monthly Lahore (193) Tajar Monthly Lahore 194 Nirman Sewak Weekl , Rawalpindi (195) A Tamil Weekly Bombay (196) Vidyarthi Monthly Bombay (197) Judge Weekly Shahdra (Delhi) (198) Rajput Sansar Weekly Lahore (199) Naya Sawera & Naya Parbhat Weekly Lahore (200) Rangbhoomi Monthly Dehra Dun (201) Daily Citizen Cawnpore (202) Iqbal Daily, Lahore (203) Gayatri Bi Monthly Madras (204) Dinabandhu Ernakulam (205) Nabin Bangla Weekl Calcutta (206) Amarjyoti Weekly, Poona (207) New Light Fortnightly Shilong (Assam) (208) Union Bulletin Monthly Berwad (209) Lokmat Daily, and Weekly Hubli (210) Hind Sewak Weekly,

District Ratnagiri, Bombay (211) A Monthly, Nasik (212) Gujrati Weekly, Bombay (213) Daily News of India, Bombay (214) Yuga Dharma, Kamrup (Assam) (215) Kisan Weekly, Cawnpore (216) Azaia Desh Urdu Weekly, Lahore (217) Log Urdu Railway, Lahore (218) Flag of Freedom, Bombay (219) Sindhi Daily, Hyderabad (220) Udayarajalam, Madras (221) New Light, Madras (222) Tamil Monthly, Trichinopoly (223) Jai Hind Weekly, Rajahmundry (224) Opinion & Zamana, Bankipore (225) Industrial India, Trichinopoli (226) Navee Roshnee, Lucknow (227) People Voice English Weekly, Lucknow (228) Hadz Monthly, Calicut (229) Dalit Bandhu Marathi Weekly, Poona (230) Karobar Urdu Weekly, Lahore (231) Bakha Gurmukhi Fortnightly, Lahore (232) Jagjivan Hindi Weekly, Lahore 233) Voice of India or Free India English Daily, Lahore (234) Jai Hind Marathi Weekly, Poona (235) Sathi, Salem (236) An English Weekly by Mohd Salahuddin, Azvida (237) A Weekly Newspaper by 'Hindustani Sahitya Astan', Karachi (238) Jana Srot Bengali Weekly, Shillong (239) Sports India, Delhi (240) Nagrik Nagpur (241) An English Daily & Telugu Daily, Madras (242) Pakistan, Guntur (243) Modern Muslim World, Lahore (244) Purcham, Madras (245) A Daily, by Mr M K Gopal, Coimbatore (246) Coalfields Times, Dhanbad (247) Hindi Ahmei, Lahore (248) Parvasi Monthly, Ajmer (249) Sushi Rakha Fortnightl, Lahore (250) Jamhoor, Lucknow (251) Nava Bharat, Patna (252) Sangram, Delhi (253) Azad Hind, Patna (254) Weekly Diocesion Newspiper, Thyle Cannanore (Malabar) (255) Kisnan Weekly, Indore (256) Muslim Gazette, Delhi (257) Shetkari Mitra, Kolhapur (258) Tarjuman Weekly, Bhopal (259) Vishal Karnatak, Bombay (260) Tatwa Gyan Karachi (261) Daily Jagatvir Lahore (262) Azam Weekly, Calcutta (263) Holly Wood Fortnightl, Bhopal (264) Weekly Newspaper, Madras (265) All Assam Students Union, Shillong (266) Rajkot Samachar, Rajkot (267) Purnia Monthly, Baroda (268) Ashok Indore (269) Central Times, Nagpur (270) Jyoti Prakash, Amroti (271) Ajkal, Rai Garh State (272) Navyog Sandesh, Bharatpur (273) Nav Sansar, Delhi (274) Pashim Khindi Patika Benares (275) Daily Mazdoor Karachi (276) Dharam Dutta, Benares (277) Radient Life, Milad (278) Nigarish, Nagpur (279) Weekly Newspaper, Ambala (280) Holy Cross Cathedral Dacca (281) Siprasada Yutham, Coimbatore (282) Satya Barta Chittagong (283) Hurriat, Hyderabad (Dn) (284) Monthly Magazine, Bombay (285) Navjeevan, Udaipur (286) States People Weekly, Allahabad (287) Swaraj, Jorhat (288) Hitkari, Naimital (289) Arpudhan Bi Monthly, Arai (290) Pahridar Weekly Ludhiana (291) Light House Weekly, Meerut (292) Vipalava Monthly, Lucknow (293) Beopar Gazette Weekly, Lyallpur (294) Matrie Magazine Karachi (295) Sacha Dhandora Daily, Lahore (296) Garjana Fortnightly, Madras (297) Hoshiarpore, College Magazine Hoshiarpore (298) Rajput Samachar, Lahore (299) Nabhik Weekly, Hardoi (300) Vir Bharat, Beswan (Aligarh) 301) Bima Jagat, Nagpur (302) Chowringhee Gazette, Calcutta (303) Haryana Tilak, Rohtak (304) Maish Prabhakar, Indore (305) Chotta Nagpur Darpan, Ranchi (306) Nau Javan, Lucknow (307) Al Hilal Patna (308) Sud Gazette, Lahore (309) Ruhani Paigham, Gurdaspur (310) Tamil Nadu, Madras (311) Subarban Cossipore Weekl and Victory Monthly, Bombay (312) Ul Islam, Karachi (313) Sabnam, Bombay (314) Avatikal, Bombay (315) Bebak Weekly, Saharanpur (316) Rupbani Weekly Calcutta (317) Jagran Weekly, Sylhet (318) Aftab e Islam, Delhi (319) Sharda, Etawah (320) Fulmistan, Lahore (321) Kashmere Sikh Samachar, Kashmir (322) Tanzeem Jadid, Lucknow (323) Deepika, Rajahmundry (324) Prabhat, Ballia (325) Aftab, Lahore (326) Musiqar, Delhi (327) Guiding, Vizianagram (328) Rashtra Sandesh, Purnia (Bihar) (329) Sugandh Samachar, Calcutta (330) Bangaleer Bangla, Calcutta (331) Prem, Brindaban (332) Star Weekly, Bharuch (333) Daor e Jadid, Qadian (334) Kal an Yogmala, Bah (Agra) (335) Practical, Kumbakonam (336) Vijya, Moradabad (337) Rangpurbrata, Rangpur (338) Al Awan Monthly, Lahore (339) New Sindh Weekly, Karachi (340) Age Kadam, Bombay (341) Vimochanan, Madras (342) Shama Weekly, Allahabad (343 Shri Kanya Kubja Hitkari, Banda (344) Salar, Bombay (345) Azmi Monthly, Delhi (346) Railwayman Fortnightly, Delhi (347) Ranjit Weekly, Cawnpore (348) Rashtra Sewak, Lucknow (349) Jawal, Poona (350) Sewak Weekly, Jalagaon (351) Student Herald, Weekly, Lucknow (352) Udava, Poona (353) Sadaqat Weekly, Lucknow (354) Insaf Daily, Lucknow (355) Kushwaha Kashatrya Mitra Monthly, Bihar (356) Bharat Bandhu, Hathras (357) Lok Sewa Weekly, Sholapur (358) Nau Sandesh, Agra (359) Muslim Report Madras (360) United India Weekly and Vishal Jivan Sar Patrika, Delhi (361) Ashwini Kumar, Lahore (362) Social Order, Allahabad (363) People's Voice, Calcutta (364) Firdaus Lahore (365) Vikas, Saharanpore (366) Paigham e Jadid Weekly Lahore (367) The Spokes Man Weekly & Nava Yug Daily, Amritsar (368) Rahnuma Monthly Patra (369) An Urdu Monthly Magazine Poona (370) Hindi Edition of the Oriental Watchman & Herald of Health, Poona (371) Naba Jog Fortnightly, Dibrugarh (372) Jan Kranti, Lucknow (373) Cautions Weekly Jullunder City (374) Dhaneshwar Monthly, Madhbani (375) Indians Abroad Monthly Delhi (376) An English Fortnightly by Mr E T Luther, Madras (377) Insaf Daily Karachi (378) Market Bulletin Daily, Lyallpore (379) Standard Monthly, Gauhati (380) Silchar Municipal Gazette Silchar (381) New India, Lahore (382) Harijan, Karachi (383) Tamil Thenral Quarterly, Madras (384) U Rangasaidtham Khasi (385) Minnal Monthly Trichinopoly (386) Nava Rajasthan Daily, Ajmer (387) Sikh Regimental Magazine Half Yearly Nawabahr

Statement showing the names of Newspapers which were granted Newsprint quota during the period from 1st April 1945 to December 1946, referred to in reply to question No 577

Serial No	Name of Newspaper	Quantity of Newsprint allotted			
		Tons	Cwts	Qrs	lbs
	ASSAM				
1	Assam Sevak, Tezpur	0	1	3	0
	BENGAL				
1	Ushi Calcutta	1	0	0	0
2	Swaraj Calcutta	2	0	0	0
3	Ittihad, Calcutta	3	0	0	0
	BIHAR				
1	Navrashtra, Patna	1	0	0	0
2	* Rashtra Sandesh Purnea	0	0	3	14
	BOMBAY				
1	Borque monthly, Bombay	0	4	0	24
2	Ambassador Bombay	2	10	0	0
3	Jagrti Weekly, Bombay	0	15	0	0
4	Swadesh Bi weekly, Nasik	0	10	0	0
5	*Flag of Freedom, Bombay	0	5	0	0
6	*Free India, Bombay	6	0	0	0
7	*Navayug Hubli	1	10	0	0
8	Rashtra Kesari, Ahmedabad	0	10	0	0
9	*United Kernatka, Hubli	0	2	0	0
10	Kanada Weekly, Bombay	0	10	0	0
	C P				
1	*Central times, Nagpur	0	2	2	0
2	*Sewak, Akola	0	1	0	0
3	*Chhota Nagpur Darpan, Ranchi	0	1	3	16
	DELHI				
1	Milat Daily Delhi	0	10	0	0
2	Hurriyat Weekly Delhi	0	11	3	0
3	News Chronicle, New Delhi	4	0	0	0

Serial No	Name of Newspaper	Quantity of Newsprint allotted			
		Tons	Cwt	Qrs	lbs.
4	Al Bilal, Delhi	1	10	0	0
5	*Great India Delhi	4	0	0	0
6	*Dastur Daily Delhi	1	0	0	0
7	*Aljamiat Delhi	1	0	0	0
8	*English Daily Delhi	5	0	0	0
	MADRAS				
1	*Girbalakshm Madras	0	3	2	0
2	*Grama Swarajan Madras	0	5	0	0
3	*Vanochonam Tamil Daily Madras	4	0	0	0
4	*Tamil Weekly Madras	0	10	0	0
5	English Daily (League) Madras	3	0	0	0
	N W F P				
1	Abul Kalam Peshawar	3	0	0	0
2	Sadaqat Peshawar	0	5	0	0
	PUNJAB				
1	Daily Azad Lahore	4	0	0	0
2	Ajrat Weekly Montgomery	0	0	1	10
3	Tajrati Mukhbar Qadian	0	0	1	22
4	New India Lahore	5	0	0	0
5	Ranjit Daily Lahore	3	0	0	9
6	Jai Hind Lahore	4	0	0	0
7	English Daily Lahore	1	0	0	0
8	Eastern Times Lahore	8	0	0	0
9	Filmo Fortnightly Lahore	0	2	2	8
10	*Lok Lahore	1	10	0	0
11	*The Punjab Lahore	1	0	0	0
12	*Subh Sadiq Lahore	0	1	0	0
13	*Siyasat Lahore	1	10	0	0
	SIND				
1	Adl Weekly Hyderabad	0	0	1	0
2	Khabar Khah Hyderabad	0	0	2	0
3	Hilal Pakistan Hyderabad	1	10	0	0
4	New Sind Weekly Karachi	0	3	0	0

*Newspapers which have been granted quota but to whom no permits were issued during 1946 as no information received of actual date of starting

Serial No	Name of Newspaper	Quantity of Newsprint allotted			
		Tons	Cwts	Qrs	lbs.
	UNITED PROVINCES				
1	Qaumi Awaz, Lucknow	6	0	0	0
2	Al Aman Meerut	0	8	0	0
3	Bharat Varsha, Cawnpore	1	0	0	0
4	Prem Monthly, Brindaban	0	1	0	0
5	Sangbish, Lucknow	0	5	0	0
6	Daily Prakish, Agra	0	2	0	0
	STATES				
1	Subodh, Bangalore City	0	1	3	4
2	Saraswati, Bangalore	0	1	0	8
3	Satyawati, Mysore	0	1	1	4
4	Mysore Cronic, Journal Bangalore City	0	0	2	16

Statement showing the monthly ration of newsprit etc , regarding the Ranjit, Log, Azad and Jai Hind of Lahore

S No	Name of Newsprint	Date of permission granted	Present monthly ration of newspaper				Date of Starting publication
			Tons	Cwts	Qrs	Lbs	
1	Ranjit, Lahore	8th October 1946	3	0	0	0	15th December 1946
2	Log, Lahore	1st October 1946	1	10	0	0	1st February 1947
3	Azad, Lahore	4th December 1945	4	0	0	0	30th April 1946
4	Jai Hind, Lahore	19th October 1946	4	0	0	0	1st November 1946

Sardar Mangal Singh: What is the position of those newspapers which are not using newsprint but using ordinary print?

The Honourable Sri C Rajagopalachari: They have to get paper quota. The position with regard to ordinary paper other than newsprint continues to remain as before

Sardar Mangal Singh: When is it likely to be decontrolled like newsprint?

The Honourable Sri C Rajagopalachari The position regarding white paper is still rather difficult and we found therefore that control over white paper could not be removed along with news print

SUPPLY OF NEWSPRINT TO *Riyasati Dunya* OF DELHI

578. *Syed Ghulam Bhik Nairang. Will the Honourable Member for Industries and Supplies please state

(a) whether it is a fact that the Urdu weekly *Riyasati Dunya* of Delhi, started publication in August 1942, and having later on suspended publication, applied for newsprint quota in April 1946,

(b) whether it is a fact that in answer to starred question No 550 asked by Mr Siddiq Ali Khan on 14th November 1946 regarding the supply of newsprint to the *Riyasati Dunya* Government promised to reconsider the matter after December 1946,

(c) whether it is a fact that Government have informed the Manager, *Riyasati Dunya* by letter, dated 5th February 1947, that no new or additional newsprint quotas will be granted to any papers till the end of March 1947, and

(d) whether it is a fact that the Manager, *Riyasati Dunya* had long ago requested that the said paper be allowed to be published on Desi paper pending the grant of newsprint quota and whether this request was also refused?

The Honourable Sri C Rajagopalachari (a), (b) and (c) Yes

(d) Permission was granted in February 1947 to the Manager of the Weekly *Riyasati Dunya* in Urdu to resume publication on paper other than newsprint

ALLOTMENT OF NEWSPRINT QUOTA TO *Riyasati Dunya*

579. *Syed Ghulam Bhik Nairang Will the Honourable Member for Industries and Supplies please state whether Government propose to grant a newsprint quota to the *Riyasati Dunya*?

The Honourable Sri C Rajagopalachari. Under present regulations the paper is free to get whatever newsprint it can from 1st April 1947

PRODUCTION OF SUGAR

580 *Mr B B Varma Will the Secretary, Food Department be pleased to state the total production of sugar in 1944 45, 45-46 and the quantity that anticipated during 1947?

Mr K L Panjabi. The total production of sugar in 1944-45 and 1945-46 was 9,71,962 tons and 9,50,339 tons respectively compared to 12,24,000 tons during 1943-44 The estimated production of sugar in 1946-47 is nearly the same as in 1945-46 namely 9,50,000 tons

CLOTH FAMINE IN BIHAR

581. *Mr. B. B Varma. Will the Honourable Member for Industries and Supplies please state

(a) whether Government are aware that there is cloth famine in most of the districts of Bihar and that the people have not been supplied cloth since the last three months, and

(b) how long this state of affairs is likely to continue and when can the people expect to get a regular supply of their quota?

The Honourable Sri C Rajagopalachari (a) and (b) Supplies to Bihar fell into arrears to the extent of 48,000 bales in the latter part of last year, owing to the fall in production But those arrears have now been made up The distribution of Bihar's quota among the various districts is the concern of the Bihar Government

PROMOTION TO THE POST OF SUPERINTENDENT OF POST OFFICES

582 *Shri Mohan Lal Saksena Will the Secretary of the Communications Department be pleased to state

(a) whether Government are aware that a circular was issued in February 1937 by the Director General, Posts and Telegraphs regarding the promotion to the cadre of Superintendents of Post Offices and R M S being confined to the Inspectors,

(b) the number of Inspectors who have become qualified for promotion since 1939,

(c) the number of vacancies in the rank of Superintendents and the number of Inspectors promoted to them, and

(d) whether Government are aware of the amount of discontent prevailing among the Inspectors, if so, what steps they propose to take to alleviate it and to enforce the instructions contained in the aforesaid circular?

Sir Harold Shoobert (a) Yes

(b) Thirty-seven Inspectors of Post Offices and R M S have been selected for trial as Superintendents since 1939

(c) The total number of vacancies in the rank of Superintendents of Post Offices and R M S since the 1st of January, 1939 has been 104 50 per cent of these have to be filled by direct recruitment and the remaining 50 per cent are reserved for promotion of Departmental officials The number of Inspectors promoted has been 50

(d) Government are not aware of any appreciable discontent among Inspectors of Post Offices and R M S , the latter part of the question does not arise

PROMOTIONS TO THE POST OF SUPERINTENDENTS OF POST OFFICES BY VIRTUE OF SERVICE IN THE FIELD AS COMMISSIONED OFFICER

583 *Sardar N G Vinchoorkar Will the Secretary of the Communications Department be pleased to state

(a) whether Government are aware that some of the non gazetted officials of the Postal Department who are ineligible for selection for appointment as Superintendent of Post Offices under the Departmental rules have been promoted as Superintendents of Post Offices in consideration of their Field Service as King's Commissioned officers,

(b) if so, the number of such officials, and

(c) whether any Inspectors of Post Offices who had rendered Field Service as King's Commissioned officers are also eligible, under the Departmental rules for such promotion in the ordinary course have been appointed as Superintendents of Post offices, if not why not?

Sir Harold Shoobert (a) and (b) The position is not exactly as stated No official in this category has yet been permanently promoted but under the orders of Government to strengthen the cadre six such officials have been selected for trial in the grade of Superintendent of Post Offices and Railway Mail Service and one of them is officiating in that rank

(c) The reply to the first part is in the affirmative, the latter part of the question does not arise

CALORIC VALUE OF FOOD TAKEN BY AVERAGE INDIANS

584 *Mr Sasanka Sekhar Sanyal Arising out of supplementaries raised by starred question No 115 will the Secretary of the Food Department be pleased to state

(a) the total caloric value of food that an average Indian is required to take in order to live a normal life,

(b) the total caloric value that he requires if he is (i) an industrial manual worker (ii) an agricultural labour (iii) one following strenuous intellectual or learned occupation,

(c) the total caloric requirements answered by the present ration in cereals, and

(d) the steps considered by Government for supplying the deficit?

Mr. K. L. Panjabi. (a) It is estimated that an average adult male Indian weighing about 120 lbs doing moderate work ought to consume 3,000 calories per day and an average woman, weighing about 100 lbs and doing moderate work, 2,500 calories per day

(b) (i) and (ii) An industrial manual worker and an agricultural labourer doing moderate work will also require 3,000 calories per day while those doing very heavy work would require up to 3,600 calories per day

(iii) Those following sedentary occupations only require 2,400 calories per day

(c) The present basic cereal ration of 12 ozs per day provides about 1,200 calories to which another 400 calories are added in the case of defined heavy manual workers who get a supplementary ration of 4 ozs per day

(d) The deficit is met to a varying extent by consumption of sugar, gur, vegetables, milk and other supplementary foods The steps taken up by Government to encourage production of more food were stated in reply to Pandit Sri Krishna Dutt Paliwal's question No 432 on the 21st February 1947 Government have been making continuous efforts to obtain imports of foodgrains from abroad

EXTRA RATIONS FOR EXPECTANT AND NURSING MOTHERS

585 *Mr Sasanka Sekhar Sanyal Arising out of supplementaries raised by starred question No 115, will the Secretary of the Food Department be pleased to state

(a) whether Government have considered the necessity and desirability of letting expectant and nursing mothers have extra ration,

(b) whether Government are in possession of the information as to how such mothers were treated in England during war time, and

(c) what steps Government have taken or intend taking in the matter?

Mr K L Panjabi (a) No extra rations in cereals have been allowed to expectant and nursing mothers, but the Government of India realise the desirability of providing extra nourishment to these vulnerable groups, and have persistently encouraged the adoption of schemes for the provision of protective foods like milk and vitamin tablets at subsidised rates or free of cost Such schemes are in operation in some of the provinces and States

(b) In England schemes were in operation during the War which provided for expectant and nursing mothers free of cost or at cheap rates milk, orange juice and cod liver oil or Vitamin A & D tablets in place of Cod Liver Oil In addition double the ration of dried eggs and an extra half ration of meat were provided for these groups

(c) I lay on the table of the House a statement showing the schemes in operation for the purpose of protecting these groups

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PROVISION OF PROTECTIVE FOODS

(For EXPECTANT and NURSING MOTHERS)

Bombay —A scheme to supply infants under two years of age with ½ a lb of milk daily at half the market rates was introduced in Bombay City in August, 1944 The scheme has been extended to children upto 10 years of age and EXPECTANT and NURSING MOTHERS and also to the Bombay Suburban District and covers a total number of over 3½ lac persons

A Milk Subsidy Scheme on the same lines was introduced in the Poona rationed area for children upto 2 years of age and EXPECTANT and NURSING MOTHERS from 14th February, 1946, who are given ½ a lb per head daily at half the market rates The average daily attendance now is 55,942

Arrangements have been made for the distribution of reconstituted milk to vulnerable groups in the scarcity areas of the Province Fourteen town have so far been selected and the extension of the scheme to other places will be undertaken after getting experience in distribution in these places The question of starting such distribution schemes in large villages in the scarcity areas is also under consideration

Every month about eight millions of vitamin A and D tablets are distributed in selected areas of the seven scarcity districts of Belgaum, Bijapur, Dharwar, Sholapur, Satara, Poona and Ahmednagar for children upto 10 years of age and EXPECTANT and NURSING MOTHERS Each tablet weighs 5 gms and has a potency of 1,000 international units of vitamin A and 120 units of vitamin D The dosage is two tablets per person per day except to children between 2 and 5 years of age who are given one tiblet each These tablets are also given to children upto 12 years of age and EXPECTANT and NURSING MOTHERS employed on scarcity works in those districts.

The question of preparing vitamin tablets to guard against outbreak of any diseases of malnutrition is under consideration

It has been decided to issue only such wheat flour as has been fortified with calcium carbonate to the bakers in order to ensure that every loaf of bread sold in Bombay City and the Bombay Suburban District will have calcium in it Every person purchasing wheat flour will also get fortified flour For persons who buy whole wheat, it is proposed to distribute, free of charge, calcium carbonate powder with the wheat ration

Madras —A scheme to supply children upto 5 years and EXPECTANT and NURSING MOTHERS belonging to families with an income of less than Rs 50 per month with milk free of cost has been in operation in Madras City since 1945

Small schemes for free supply of milk to the priority consumers are functioning in the Municipalities of Vellore, Cannanore, Tuticorin, Tiruvanamallai, Tiruvarur, Chittor and Tinnevelley The distribution of milk in all these areas is under taken through Maternity and Child Welfare Centres

The Government of Madras have set up a factory for the manufacture of reconstituted milk which is made up b homogenising separated milk powder, deodorised cocoanut oil and shark liver oil The factory is capable of producing 75 gallons of milk an hour The reconstituted milk thus produced is intended mainly for sale at a subsidised rate of /4/ per pint to the poorer classes, especially the vulnerable groups among, them who have not got the means to pay the high prices for fresh milk After meeting the requirements of the vulnerable groups the balance will be sold to the general public

Bengal —The Friends Service Unit are operating a number of centres in Bengal for distribution of milk powder and vitamin tablets to the vulnerable groups especially to children and EXPECTANT and NURSING MOTHERS

U P —About 200 mds of pure milk is distributed daily to the school going children and to the Labour Welfare Centres and Maternity Homes in Cawnpore

C & M Station, Bangalore —A scheme is in operation under which undernourished children and EXPECTANT and NURSING MOTHERS belonging to families with a monthly income of less than Rs 50 are given half a pound of milk daily free of cost The scheme covers 2 000 consumers

Cochin —The Cochin State is issuing free milk to children below five years and EXPECTANT and NURSING MOTHERS The State has also distributed milk powder offered b the Indian Red Cross Society and 1 20 000 vitamin tablets

A health centre has been opened, where besides advice on diets etc supplementary diets such as milk and cod liver oil are given to infants and EXPECTANT and NURSING MOTHERS

Travancore —About 95 milk canteens have been opened throughout the State with the help of the Indian Red Cross and the Friends Ambulance Unit and about 30 to 40 thousand children under five years of age are given milk and multi vitamin tablets EXPECTANT and NURSING MOTHERS are also encouraged to visit these centres and get milk and multivitamin tablets A large number of welfare entres have been organised in urban and rural areas where the state of nutrition appeared to have deteriorated to provide children and EXPECTANT and NURSING MOTHERS with milk shark liver oil non etc

The distribution of milk per card holder is as follows —

8 ozs condensed milk (diluted)
8 ozs separated milk (reconstituted)
1 2 multi vitamin tablets

Malabar —In the Malabar District milk supplied by the Indian Red Cross and the Government of India is being distributed by the Collector through three hundred centres to poor children upto 7 years and EXPECTANT and NURSING MOTHERS

Baroda —In Baroda City milk is supplied free to poor children A scheme is being prepared to supply milk at subsidised rates to middle class families

Nawanagar State —EXPECTANT MOTHERS and young children of poor classes are supplied in Jamnagar free milk at certain fixed centres

Hyderabad (*Dn*)—A voluntary 'Women Milk Committee" has established milk stalls in the City where milk at subsidised rates is distributed to children under two years of age

A scheme for the supply of milk to EXPECTANT and NURSING MOTHERS and children under 2 years at subsidised rates is under consideration

The Government of Hyderabad is the only administration in India which is providing supplementary ration of foodstuffs to PREGNANT WOMEN and NURSING MOTHERS of children under two years

Pampur State—Poor children from 1 to 5 years and poor EXPECTANT and NURSING MOTHERS are supplied with ½ a lb to 1 lb of milk daily free

Jodhpur—The maternity and child welfare centre at Jodhpur is distributing milk free of cost to poor EXPECTANT and NURSING MOTHERS

QUOTA OF CLOTH SUPPLIED TO PROVINCES AND TO NEPAL

586 ***Mr B B Varma** Will the Honourable Member for Industries and Supplies be pleased to state

(a) the total population of each of the Provinces of India according to which the quota of cloth was allotted in the years 1945-46 and 1946-47,

(b) the total number of yards of popular and unpopular fine and rough cloth supplied to each of the Provinces in the years 1945-46 and 1946-47, and

(c) the total number of bales and the number of yards of popular and unpopular cloth supplied to Nepal in the years 1945-46 and 1946-47 on barter system?

The Honourable Sri C Rajagopalachari (a) The Government of India's cloth distribution scheme is operated on the basis of a division of India into Zones, which are not quite the same as provinces, inasmuch as they include States Allocations of cloth during the year 1945 were made on the basis of the 1941 Census, and a statement is placed on the table which shows the population of each Zone according to that Census From the 1st of January 1946, Government have operated their cloth distribution scheme on the basis of an all-India population of 415 millions

(b) A statement showing quantities of cloth delivered to Zones is placed on the table No records have been maintained according to the categories suggested by the Honourable Member But in the present shortage cloth of all types is acceptable to the public, though a preference attaches to saris, dhoties, and grey shirting

(c) About 5,500 bales, equivalent to 82½ lakhs yards of cloth, were supplied to Nepal during 1946 on the barter system These consisted mainly of dhoties, sarees and markin cloth of medium and coarse varieties No supplies on the barter system were made during 1945, and none have been made so far in 1947

Statement showing Population of Zones

Zones	*Population*
Bombay (including Baroda with population of 3,486,409)	28,935,551
Western India States	3,857,585
Central India States	11,587,853
Assam	10,930,389
Baluchistan	807,835
Bengal	61,460,377
Bihar	36,340,151
Central Provinces	17,390,985
Hyderabad	16,338,534
N W F Provinces	5,415,666
Orissa	16,306,551
Punjab	30,290,416
Rajputana, Ajmer Marwara	14,531,991
Sind	4,841,795
Madras (including Mysore with population of 7,329,140)	64,831,329
United Provinces	56,346,458

II Statement showing supplies of cloth to Zones (in bales)

Zones	1945	1946	1947 (Jan Feb)
Bombay (excluding Baroda)	347,940*	179,328	23,379
Baroda		31,047	3,669
Western India States	30,876	27,203	4,320
Central India States		71,304	11,820
Assam	71 697	54,117	9,930
Baluchistan	13,728	12,524	1,855
Bengal	430 830	328,801	56,067
Bihar	254 382	217,757	40,340
Central Provinces and Berar	163 401†	85,862	12 177
Hyderabad	59 907	77 605	10,811
N W F Province	32 496	57,976	10,076
Orissa	111 126	64,011	11 904
Punjab	507 057‡	402,367	57,379
Rajputana	184,164	108,642	13,695
Sind	43 566 §	50,336	8,755
Madras	578 278§§	230,380	33,415
United Provinces	406 527	412 814	66,684

* Includes supplies made to Baroda

† Includes supplies made to Central India States upto January 1946

‡ Includes supplies made to N W F Province upto June 1945

§ Includes supplies made to Baluchistan upto June 1945

§§ Includes supplies made to Hyderabad upto July 1945

SUPPLY OF CLOTH BY AHMEDABAD AND BOMBAY MILLOWNERS TO SHOPS IN BIRAGANJ NEPAL

587 *Mr B B Varma Will the Honourable Member for Industries and Supplies be pleased to state

(a) whether Government are aware that there being no quota of cloth for Nepal practically every cloth mill owner of Ahmedabad and Bombay, has got his shop in Birganj (Nepal) and that most of the cloth is being sent there directly and

(b) if the reply to part (a) be in the affirmative, the number of such cloth shops in Birganj (Nepal)?

The Honourable Sri C Rajagopalachari (a) It is not a fact that there is no quota of cloth for Nepal Nepal gets about 21 million yards of cloth and yarn equivalent to 24 lakh yards of cloth per year The second part of the question does not arise

(b) Does not arise, and we have no information

IMPORT OF OPTICAL GOODS IN INDIA

588 *Sardar Mangal Singh Will the Honourable Member for Industries and Supplies be pleased to state

(a) the quantity or value of spectacle lenses, frames and optical instruments imported into India during the years 1945 and 1946, and the import duty levied on spectacle goods,

(b) the approximate annual quantity of spectacle lenses and frames manufactured in India, and whether it is sufficient to meet the requirements of the country, if not, the steps taken or proposed to be taken by Government to increase the production of these essential articles in India

(c) whether Government propose to import machinery for the manufacture of spectacles, etc., as reparation from Germany or Japan, and if so, the details of such proposals,

(d) whether Government have received any applications from Indian producers of optical goods such as lenses frames and spectacle glass for any kind of assistance, if so, the action taken or proposed to be taken in regard to such applications,

(e) the number of spectacle factories in India, and

(f) whether Government propose to consider the desirability of asking the Tariff Board to examine and report on the question of giving protection to this Industry?

The Honourable Sri C Rajagopalachari (a) The figures of the value of imports of optical goods are as follows 1944-45—Rs 6,38,000, 1945 46—Rs 16,19,000, April to September 1946—Rs 13,13 000 Separate figures for spectacle lenses and frames are not available Information about import duty is being collected and will be placed on the table in due course

(b) I am sorry I have no information about the quantity of spectacle lenses and frames manufactured in India A few firms have asked for import licences for machinery of manufacture in these lines and have been given necessary permission

(c) Government of India made an unsuccessful bid for a plant for the manufacture of optical instruments which came up for allocation in October last by way of reparations from Germany Reparations from Japan have not reached a stage when plants are earmarked for reparations delivery

(d) I would refer the Honourable Member to the answer given on the 28th March 1946 to part (c) of Shri Satyanarayan Sinha's Starred Question No 1377 One of the firms mentioned therein, namely, Messrs Mumick Limited applied again for assistance in certain directions, *e g*, acquisition of land, supply of electric power and protection against foreign competition The firm was informed that the acquisition of land required by it was not a matter of sufficient public importance to justify Government's intervention In regard to electric power, the firm was informed that, in case it wished to increase its present load, the Department of Industries and Supplies would be prepared to help As regards protection against foreign competition, the firm was asked to apply to the Commerce Department for a reference of its case to the Tariff Board

(e) I am sorry there is no available information that can be got at without elaborate enquiry

(f) In accordance with its terms of reference, the Tariff Board as now constituted is competent to investigate the claims of these industries only which were started or developed during the war It is for the industries which fulfil this condition to apply for the investigation of their claims by the Tariff Board Government have under consideration the question of setting up a permanent Tariff Board which will examine claims for protection by other industries

INDIAN PILOTS AND GROUND ENGINEERS IN VARIOUS AIR SERVICES

589. *Pandit Thakur Das Bhargava (a) Will the Secretary of the Communications Department be pleased to state the number of Indian and European Pilots and Ground Engineers in the Air Services and Flying Clubs in India?

(b) Have Government taken any steps to insist on the management of the various Air Services to give preference to Indians for appointment as Pilots and Ground Engineers and to other administrative posts in these services, if so, with what result?

(c) Have Government made any arrangements for the training of Ground Engineers in India? If so, how many Indians are under training as Ground Engineers?

Sir Harold Shoobert. (a) I lay on the table a statement showing the number of Indian and European pilots and ground engineers employed in the flying clubs and air transport operating companies in India

(b) With the aim of securing the employment of Indians to the maximum possible extent in the management and operation of air services, Government have taken all possible steps to arrange for the release of pilots from the Indian Air Force for training and employment in Civil Aviation Similar steps have been taken to assist the employment of qualified Indian mechanics and other technicians released from the Indian Air Force and aircraft repair organisations There is as yet an inadequate number of trained and qualified Indians to man the whole of the services, but there is no reason to think that preference is not invariably given to qualified Indians by all employers

(c) Practical training of Ground Engineers is at present achieved by the employment of men with suitable experience as mechanics by the operating companies and Flying Clubs The Civil Aviation Training Centre which is in the course of being established, will provide training in all important branches of civil aviation It is expected that the Aeronautical Engineering branch of the School will be opened during 1947-48

Statement showing the number of Indian and European Pilots and Ground Engineers employed in the Flying Clubs and Air Operating Companies

Particulars	Pilots			Ground Engineers		
	Indians (including Ceylonese)	Europeans (including Australians)	Total	Indians (including Ceylonese)	Europeans (including Americans)	Total
Flying Clubs	12	2	14	20	1	21
Air Transport Operating Companies (including those not operating air services) (13)	117*	68†	185	153‡	15§	168
	129	70	199	173	16	189

* Includes 4 Ceylonese

† Includes 3 Australians

‡ Includes 4 Ceylonese

§ Includes 2 Americans

IMPROVED MILK SUPPLY FOR DELHI

590. *Shri Mohan Lal Saksena Will the Secretary of the Department of Agriculture be pleased to state the steps that have been taken by Government to improve the quantity and quality of milk supply in the city of Delhi?

Sir Pheroze Kharegat: A Dairy Development Officer has been appointed A scheme for augmenting the production of milk at the Delhi Gaushala has been sanctioned Schemes relating to the distribution of milk under proper control, the subsidized distribution of cattlefeeds and concentrates and the salvage of dry cattle are under the consideration of the Delhi Administration

COST OF GROW MORE FOOD CAMPAIGN

591 *Sri V Gangaraju Will the Secretary of the Department of Agriculture be pleased to state the cost incurred by Government on "Grow More Food" programmes during the years 1944 to 1946 and what amount Government propose to spend in 1947?

Sir Pheroze Kharegat A statement showing the loans and grants given by the Central Government for the Grow More Food Campaign is placed on the table The amount proposed to be spent in 1947 48 cannot be estimated at present It may be between five and ten crores of rupees

Statement showing the grants and loans given by the Central Government for the Grow More Food Campaign

	Grants disbursed	Loans sanctioned
	In lakhs of rupees	
1943-44	27 29	164
1944-45	77 34	129
1945-46	Not available	200
1946-47	Do	194

PREVENTION OF CATTLE DISEASES

592 *Sri V. Gangaraju Will the Secretary of the Department of Agriculture be pleased to state

(a) whether Government are aware of the prevalence of a cattle disease known as Mastitis in all the Provinces,

(b) if so, what is the extent of loss in various Provinces, in cows, buffaloes and goats due to this disease,

(c) whether the Government of India have taken any steps to prevent this disease, and

(d) if not, why not?

Sir Pheroze Kharegat: (a) Yes, Sir

(b) The exact extent of the loss is not known, but the disease is more prevalent where intensive dairying is practised and is relatively uncommon in village cattle

(c) and (d) The Indian Council of Agricultural Research has initiated a research scheme with the object of discovering the incidence of the disease, the particular organisms which most commonly cause it in India, and to devise prophylactic and curative measures The work will be undertaken at the Veterinary Research Institute, Izatnagar, at Calcutta, Lahore, Bombay and Bangalore

IMPORT OF RICE AND WHEAT INTO INDIA

593 *Sri V. Gangaraju Will the Secretary of the Food Department be pleased to state

(a) the quantities of Rice and Wheat that were imported into India during the period 1944-46,

(b) the price at which Government purchased these food grains from other countries, and

(c) the cost incurred by the Government of India to subsidise imported rice and wheat with a view to keep their prices on a par with those of the rice and wheat produced in India?

Mr K L Panjabi (a) and (b) Statements giving the required information are laid on the table

(c) The Government of India started subsidising the sale of imported food grains in April 1946 and the amount spent during 1946 was about Rs 15½ crores

Statement showing quantities of wheat flour and rice imported in India during the three years 1944 to 1946

From		Wheat	Rice	Wheat flour
		Tons	Tons	Tons
1944—				
Australia		529,398		51,643
Canada		32,172		
Persia		1,498		
	Total	563,018		51,643
1945—				
Australia		79,669		
U S A		409,001		10,739
Canada		304,882		
From all sources			52,434	
	Total	793,552	52,434	10,739
1946—				
Australia		384,911		134,294
U S A		490,260		22,983
Canada		203,480		
Turkey		14,512		
U K				4,000
Burma			227,638	
Indonesia			29,108	
Brazil			39,192	..
Siam			25,700	
Saigon			3,890	
		1,183,163	325,528	161,277

SUMMARY

Year	Wheat	Rice	Flour
	Tons	Tons	Tons
1944	563,018		51,643
1945	793,552	52,434	10,739
1946	1,183,163	325,528	161,277
Total	2,539,733	377,962	223,659

Statement showing the average prices paid by the Government of India on imports of wheat, rice and wheat flour during three years 1944 to 1946

1944

Wheat

Australian

Bulk

31*sh* 4½*d* per 480 lbs f o b upto middle of October 1944

41*sh* ½*d* per 480 lbs f o b 15th October 1944 to 31st December 1944

Bagged

34*sh* 8 per 480 lbs f o b up to middle of October 1944

44*sh* *d* per 480 lbs f o b 15th October 1944 to 31st December 1944

Canadia

C $1 60 pe bushel of 60 lbs f o b

Persian —Rs. 11/2 per mound f o b Zahidan

Flour.

Australian —£ 0 15 0 per ton f o b

1945

Wheat.

Australian

Bulk—41*sh* 10½*d* per 480 lbs f o b

Bagged 44*sh* 11*d* per 480 lbs f o b

Canada & U S A —$1 60 to 1 73 per 60 lbs f o b

Wheat flour.

Australian — £10 15 6 per ton

+6*d* per cent insurance f o b

Rice

£17 17 0 per ton f o b

1946.

1 *Wheat.*

Australian

Bulk—60*sh* 10½*d* to 73*sh* 9*d* per 480 lbs f o b

Bagged 68*sh* 8*d* to 88*sh* per 480 lbs f o b

U S A and Canada —$1 73 to $2 4 per 60 lbs. f o b

Turkey —£32 19 4 per 1,000 kilos f o b

2 *Wheat flour*

Australian—

£20 0-0 *plus* 9*d* per cent per ton f o b

£23 11-0 *plus* 9*d* per cent per ton f o b

U K —£29 per ton f o b

U S A —$5 8 per ton f o b.

Rice

Burma—Old rice £17 17 0 per ton to £20 7 6 per ton f o b

New rice £28 per ton f o b

Siam —£16 per ton f o b

Indochina—£29 12 0 to £31 per ton f o b

Brazilian—£20 15 6 to £37 5 0 per ton according to quality

Indonesian paddy —Rs 10 13-4 per 100 kilos. f o b

REDUCTION OF CLASSES ON PASSENGER TRAINS

594. *Haji Abdus Sattar Haji Ishaq Seth: Will the Honourable Member for Railways be pleased to state

(a) whether any decision has been arrived at regarding the proposal to reduce the number of classes on passenger trains and if so, what that decision is, and

(b) whether this House will be given an opportunity to express its opinion on the final proposals before Government decide this question?

The Honourable Dr. John Matthai: (a) Yes The decision taken by the Government is to reduce the present four classes of travel to three The three future classes of travel, named first, second and third classes, will approximate in standard of comfort to the present second, Inter and third classes respectively. On branch lines it is proposed to adopt only two classes named special and general It will be seen that the standard of comfort represented by the present first class is proposed to be abolished

(b) As this decision has been taken after consulting a number of public bodies and the Central Advisory Council for Railways consisting of the Members of the Central Legislature, it seems fairly clear that there is a general public support for it In the circumstances, I do not think a discussion again in this House appears called for

RECOGNITION OF TEZPUR BALIPARA RAILWAYMEN'S UNION

595 *Sreejut Rohini Kumar Chaudhuri Will the Honourable Member for Railways be pleased to state

(a) whether Government are aware that although over three months have passed since the Tezpur Balipara Railwaymen's Union was formed and registered and the fact notified to the Company the latter has not yet recognised the Union,

(b) if so, the steps that Government have taken to see that the Union is recognised by the Company,

(c) whether Government are aware that although the Union notified the Company of its minimum demands, the Company has not taken any steps to meet them, and

(d) the steps, if any, Government propose to take in this behalf?

The Honourable Dr. John Matthai: (a) No

(b) Does not arise

(c) No

(d) The railway in question being Company owned and Company managed, the Railway Department are not concerned in the matter It is understood, however that Government in the Labour Department intend to apply the Industrial Relations Machinery to the matter

EXTENSION OF THE BENGAL ASSAM RAILWAY FOR RANGAPARA NORTH TO TEZPUR TOWN

596 *Sreejut Rohini Kumar Chaudhuri: Will the Honourable Member for Railways be pleased to state whether Government are aware of the agitation carried on for the last several years by the public of Tezpur for the extension of the Bengal Assam Railway, from Rangapara North to Tezpur town, a distance of only 16 miles?

The Honourable Dr John Matthai: So far only one petition dated 28th September 1946 has been received asking for the extension of the Metre Gauge section of the Bengal Assam Railway from Rangapara North to Tezpur Town Government are not aware that agitation has been carried on for the last several years by the public of Tezpur for this extension However, in a joint conference with the Assam Government the Railway Board decided in March 1945 to

investigate as a Post-war project the question of the purchase of the Tezpur-Balipara Railway and its conversion to Meter Gauge This Railway is at present managed by a private Limited Company and in accordance with the agreement, the next option for the purchase of this railway by Government falls due on 1st September 1952 The investigations will be completed in time for a decision to be reached by Government before this date in regard to the future of this Railway

ACQUISITION BY GOVERNMENT OF TEZPUR BALIPARA RAILWAY

597 *Sreejut Rohini Kumar Chaudhuri Will the Honourable Member for Railways be pleased to state

(a) when the licence of the Tezpur Balipara Railway will expire, and

(b) in view of the unsatisfactory condition in which the Railway is running at present, whether Government propose to acquire it without further renewal of the licence?

The Honourable Dr John Matthai: (a) Government have the option of terminating the licence of the Tezpur Balipara Railway in 1952

(b) Government understand that during the war adequate maintenance repairs to rolling stock could not be carried out for want of materials and that this Light Railway Company could not obtain new engines or important parts thereof Orders have since been placed and the position should shortly improve Government will consider, from every point of view the desirability of taking over this railway when the date of expiry of the licence draws nearer

PAY OF *Patwaris* IN AJMER MERWARA

598 *Pandit Mukut Bihari Lal Bhargava Will the Secretary of the Department of Agriculture be pleased to state

(a) the present scale of pay of the '*patwaris*' in the Province of Ajmer Merwara,

(b) the allowances granted to them to meet the increased cost of living,

(c) the daily hours of work of the '*patwaris*' in the Province,

(d) whether Government are aware that their present pay including allowances is less than what is needed for maintenance of health and efficiency at current high prices, and

(e) if so the steps that Government intend taking to improve the conditions of the *Patwaris* in the Province of Ajmer Merwara?

Sir Pheroze Kharegat: (a) and (b) A statement giving the information required is laid on the table

(c) No regular hours of work are fixed for Patwaris They generally work in the fields in the morning and at their residences in the afternoon

(d) The Central Pay Commission is going into this question

(e) The steps to be taken will be considered along with the recommendations of the Pay Commission

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STATEMENT

(a) The scales of pay for various grades of Patwaris in Ajmer Merwara are as follows —

	For old entrants	For new entrants
1st Grade	Rs 25 p m	Rs 22 p m
2nd Grade	Rs 20 p m.	Rs 18 p m
3rd Grade	Rs 15 p m	Rs 15 p m

(b) The following allowances, etc, have been granted to them to meet the increased cost of living —

(i) Dearness allowance	Rs 16 p m.
(ii) Special pay	Rs 3 p m
(iii) Cash Compensat on allowance	Rs 3/12/0 p m

RAILWAY CLEARING ACCOUNTS OFFICE

599 *Dr Zia Uddin Ahmad Will the Honourable Member for Railways please state

(a) whether it is a fact that the main function of the Efficiency Section of the Railway Clearing Accounts Office is to test audit the work done in various branches of the office,

(b) whether it is a fact that similar duties of test audit are performed by the Chief Auditor, Railway Clearing Accounts Office

(c) whether it is a fact that no Efficiency Section exists in the Accounts Offices of the State Railways and

(d) if the reply to parts (a) to (c) above is in the affirmative, the reasons for allowing this duplication of test audit and wastage of money in the Railway Clearing Accounts Office and whether Government propose to abolish it, if so, when, if not why not?

The Honourable Dr John Matthai (a) The test check of the work done in the various sections of the R C A O is only one of the functions of the Efficiency Section of that office the others being (i) co-ordination (ii) scrutiny of rules and procedure, (iii) examination of general cases affecting the office as a whole (iv) adjustment of staff as between the various sections according to variations in the volume of work and (v) compilation of manuals

(b) Yes but the check performed by the Efficiency Section is directed to special investigations ordered by the Director

(c) Efficiency Sections do exist on certain other Railways

(d) The test check by the Efficiency Section was temporarily introduced in the R C A O in order to tighten up control over internal check in that office the necessity for which was felt owing to the abnormal conditions created by the war The question of the necessity for retaining this section is reviewed from time to time

SCARCITY OF MUSTARD OIL IN BENGAL

600 *Maulvi Abdul Hamid Shah Will the Secretary of the Food Department please state

(a) whether Government are aware that there is acute scarcity of mustard oil in Bengal

(b) whether Government are aware that this scarcity is due to the refusal by the United Provinces Government to supply the Bengal the quota of mustard oil and seeds fixed by the Government of India

(c) whether the Premier of Bengal or any representative of the Bengal Government discussed these matters with the Government of India, and

(d) if so what was the result of the discussion?

Mr K L Panjabi (a) Yes Sir

(b) It is due to non availability of supplies according to quotas from the United Provinces and other supplying areas

(c) Yes, Sir

(d) The policy regarding future control of all oilseeds was discussed at a conference of the provincial Food Ministers convened by the Central Government on 16th February The matter is now under active consideration by the Government I regret I am unable to give any further information to the Honourable Member at this stage

COAL PRODUCTION CESS FROM CONSUMERS

601 *Mr Nagendranath Mukhopadhyay (a) Will the Honourable Member for Industries and Supplies be pleased to state the reasons for continuing realisation of the Coal production Cess of Rs 1-4-0 per ton from all consumers even when the bonus on Excess Profit Tax and the bonus on higher raisings of Coal over and above the target figure have been stopped?

(b) Are Government aware that out of the total receipt from the Coal production Cess Rs 70,000 per month are being spent on running the coal Commissioner's Office?

(c) Do Government propose to consider the advisability of cutting down the expenses of running a huge establishment, higher posts of which are practically manned by European Officers, if not, why?

The Honourable Sri C Rajagopalachari (a) The payment of P P T free bonus to colliery owners on raisings is not the only charge on the proceeds of the Coal Production Cess The other purposes for which the proceeds may be utilised are given in Section 3(3) of the Coal Production Fund Ordinance and Government's liabilities as regards a number of these have not yet been extinguished I may add, however, that the future of the Cess is now under active consideration

(b) and (c) About Rs 1 42 lakhs are being spent monthly on the Coal Commissioner's Organization, from the Coal Production Fund The problems of Coal production and distribution necessitate the maintenance of the organization Government keep the size of the establishment under constant review and care is taken to ensure that the size is commensurate with the problems with which it has to deal

SANCTION BY THE COAL COMMISSIONER FOR OPENING A NEW MINE

602 *Mr Nagendranath Mukhopadhyay (a) Will the Honourable Member for Industries and Supplies be pleased to state whether any criterion has been fixed for the Coal Commissioner to enable him to grant or refuse permission in the case of opening a new mine?

(b) Do Government propose to consider the advisability of forming a Committee of two or three members recruited from the trade to scrutinise periodically the sanctions given or withheld?

The Honourable Sri C Rajagopalachari (a) Yes, Sir The main factors taken into consideration in granting or refusing permission are (i) the avoidance of uneconomic fragmentation of coal bearing areas (ii) prevention of wastage of resources by attraction of labour and enterprise to easy surface working and (iii) rail transport difficulties likely to arise

(b) An aggrieved party is entitled to appeal to Government Any complaint against an order of the Coal Commissioner can also be ventilated in the Coal Advisory Committee which meets in Calcutta twice a month and which, in addition to official members consists of the representatives of the Indian Mining Association, the Indian Mining Federation and the Indian Colliery Owners Association Government consider that these safeguards are adequate

REQUIREMENTS OF RAILWAYS FOR DIFFERENT GRADE OF COAL

603 *Mr Nagendranath Mukhopadhyay (a) Will the Honourable Member for Industries and Supplies be pleased to state whether Government have implemented their assurance for taking 30 per cent of II, III A and III B grade coal for Railway consumption as given in their reply to my unstarred question No 45 asked on the 11th November, 1946?

(b) If so, do Government propose to place on the Table of the House a statement showing the requirement of each railway and the ratio of purchase of II, III-A and III B Grade Coal from November 1946 to January 1947?

The Honourable Sri C Rajagopalachari: (a) Government are endeavouring to regulate the Railway consumption of coal so as to reach the proportion referred to There are difficulties due to the differing operational requirements of each railway, distance from the source of supply and the need for avoiding the wasteful movement of high ash coals so long as transport capacity remains inadequate for moving the full demand for coal in the country It is not always possible, in the present circumstances to arrange supplies strictly according to what is considered feasible for railway operation, but it is expected in course of time to overcome the difficulties now felt

(b) The information called for is being collected and is not yet ready

REDUCTION IN THE RAISING OF METALLURGICAL COAL

604 *Mr Nagendranath Mukhopadhyay Will the Honourable Member for Industries and Supplies be pleased to state whether Government propose to reduce raisings of all metallurgical coal to the bare minimum requirement of this country and stop all shipment of such coal outside India considering the future requirement of the country?

The Honourable Sri C Rajagopalachari Government have under consideration the recommendations of the Indian Coalfields' Committee regarding the imposition of a ban on the supply of metallurgical coal to other than specified classes of internal consumers and rationalisation of production so as to secure a balancing of output with the essential demand The Committee have however, themselves pointed out that these measures cannot be fully enforced until the output of other types of coal has been increased sufficiently to fill the gap created by a reduction in the output of metallurgical coal

The ban suggested by the Committee covers also supplies of metallurgical coal for export and bunker purposes and Government hope to take an early decision on this point

HYDROGENATED OIL FACTORIES IN INDIA

605 *Shri D P. Karmarkar: Will the Secretary of the Food Department be pleased to state

(a) the number of hydrogenated oil factories for which licenses have been given excluding the 22 factories that are already in existence,

(b) the productive capacity and the location of the proposed factories and the capital proposed to be invested in these factories by the licensees,

(c) how many of the Licensees have (i) imported (ii) placed orders but not yet imported (iii) not yet placed orders for, the machinery required for the purpose,

(d) the reasons, why Government propose to encourage the hydrogenated oil industry by granting additional licenses,

(e) the quantity of oil (i) produced by each factory existing at present, and (ii) expected to be produced by the factories proposed to be started, and

(f) the nature of any other assistance given to hydrogenated oil factories?

Mr. K L Panjabi: (a), (b) and (e) Statements giving the required information are laid on the table of the House

(c) All licensees except one have placed orders for the plant and machinery required for the purpose This is being shipped by the manufacturers in instalments as and when the parts become ready for shipment

(d) The industry was encouraged to expand to meet wartime needs and was subsequently assisted to meet what was estimated to be the reasonable demand of the market wher the war ended

(f) The factories are assisted in the procurement of various controlled materials

APPENDIX "A"

List of Vanaspati Factories under the Immediate Expansion Scheme

BRITISH INDIA

Name of Party (1)	Location (2)	Production capacity† per day (3)	Capital sanctioned (4)	Approximate quantity of raw oil to be used per annum (5)
		(Tons)		(Tons)
Bombay Province—				
1 M/s Indian Vegetable Products Ltd, Forbes Building, Home Street Bombay	Bombay	25	Not applied	8,500
2 M/s Western India Vegetable Products Ltd, 5 Ghoga Street Fort, Bombay	Amalner	10	17 lacs	3,500
Bihar Province—				
3 M/s Bihar Industries Ltd Arora House, Patna City	Dinapur	25	30 lacs	8 500
Bengal Province—				
4 M s Hindustan Development Corporation Ltd 6 A, Surendra Nath Banerji Road, Calcutta	Calcutta	25	150 lacs*	8,500
5 The United Vegetable Manufacturers Ltd, 18, Zakariah Street, Calcutta	Calcutta	25	30 lacs	8,500
6 Swadeshi Vanaspati Products Ltd, 28 A, Pollock Street, Calcutta	Liloosh	25	15 lacs	8 500
7 M/s Kusum Products Ltd, 23/24, Radha Bazar Street, Calcutta	Calcutta	25	30 lacs	8,500
8 M/s Hindustan Vegetable Products Ltd, 102/1, Clive Street, Calcutta	Calcutta	25	30 lacs	8,500
Orissa Province—				
9 M/s Bharat Vegetable Products Ltd, 2 Royal Exchange Place Calcutta	Berhampur	25	22½ lacs	8,500

* This is for a large number of industrial enterprises including their Vanaspati project.

† The year is reckoned at 300 Production Days.

(1)	(2)	(3)	(4)	(5)
		(Tons)		(Tons)
Central Provinces—				
10 M/s Sudha Industries Ltd, Jaipuria House 51, Vivekanand Road, Calcutta	Pulgaon	25	20 lacs	8,500
Madras Province—				
11 M/s East Asiatic Co, Ltd, Mercantile Buildings, Parry Line Beach P B No 110, Madras	Madras City	10	Not applied	3,500
12 M/ Madras Vanaspati Ltd, 9 V, Armenian Street, Madras	Villuprun	20	25 lacs	8,500
13 M/s The Vegetable Ltd 'Vijaya Vilas' High Road Chittoor	Chittoor	10	22 lacs	3,500
14 M/s Bharat Vanaspati Products Ltd, C o Guntur Narsimha Rao, 0 B, Grand Apps Naick Street, Madras	Guntur	10	15 lacs	3,500
15 M/s Sulaiman Oil Mill Katapadi (Madras Province)	Katapadi	20	25 lacs	8,500
16 M/s Karnatak Veg Oil & Refineries Ltd Hospet (Bellary D)	Hospet	10	15 lacs	3,500
17 M/s Vizagapatam Veg Oil Products Ltd., P O Bobbili	Bobbili	20	10 lacs	8,500
Additional Secy to the Government of Madras, Development Dept Fort St George Madras	Calicut	10	Not applied	3,500
Indian States—				
19 M/s Palanpur Vegetable Products Ltd, Fort Bruce Street Fort, Bombay	Palanpur	10	23 lacs	3,500
20. M/s Bhavnagar Vegetable Products Ltd, Bunder Road, Bhavnagar	Bhavnagar	20	27 lacs	6,500
21 M/s Sangli Industries Co, Sangli	Sangli	10	15 lacs	3,500
22 M/s Diwan Syndicate, Junagarh	Chorawad	25	27½ lacs	8,500

(1)	(2)	(3)	(4)	(5)
		(Tons)		(Tons)
23 M/s Raza Vana pati Ltd, C/o The Chief Minister, Rampur State, Rampur	Rampur	25	Not applied	8,500
24. M/s Ratnakar Industries Ltd Jathad Building, Laxmi Puri Kolhapur	Kolhapur	10	25 lacs	3,500
25 M/s Scindia Vegetable Products Ltd, C/o R B Harish Chandra, Advocate, Chandni Chowk, Delhi	Gwalior	10	20 lacs	3,500
26. M/s H E The Nizams Govt. Hyderabad State (Deccan)	Hyderabad	50	Not applied	16,000
27 Sir Murtab Ali, Kt, C B E, Bhopal	Bhopal	10	17 lacs	3,500
28 The Prime Minister, Bhawalpur State Government, Bahawalpur	Bhawalpur	10	12½ lacs	3,500
29 Sewa Singh Gill, 23 Bara Khamba Road, New Delhi	Patiala	10	20 lacs	3,500

List of Vanaspati Factories in India under Automatic Regn Scheme

Name of firm	Location	Capacity		
1. M/s Morvi Vegetable Products Ltd, Morvi	Morvi	10	17 lacs	3,500
2 M/s Ravindra Nirmal Kerawala, Babu nath Road, Ceowpatty Bombay	Jamnagar	20		6,500
3 M/s Snow White Food Products, 11, Clive Street, Calcutta	Calcutta	25	Not applied	8,500
4 M/s The Lanyee Bros, Ltd, Trichinopoly	Trichonopoly	20	15 lacs	6,500
5 M/s Oudh Sugar Mill Ltd, C/o Imperial Bank Building, Bank Street, Bombay	Mukapur	30		10,000
6 M/s Malwa Vanaspati & Chemical Co, Ltd, 84 Jail Road, Indore	Indore	25	40 lacs	8,500
The Punjab Vegetable Oil and General Mill Co Ltd., The Mall Lahore	Amritsar	10	20 lacs	3,500
8. M/s Tungabhadra Industries Ltd, Kurnool (Madras)	Kurnool	30	40 lacs	10,000
Grand Total				244,500

APPENDIX B

Statement showing the quantity of crude oil consumed by vanaspati factories existing at present

S No	Name of Factory	Hydrogenated Oil Products manufactured in 1946	Approximate quantity of oil used
		(Ton)	(Ton)
1	The Hindustan Vanaspati Mfg Company, Bombay	43,833	53,200
2	The Indian Vegetable Products Ltd , Bombay	8,281	9,000
3	The Swastik Oil Mills Ltd , Bombay	4,788	5,300
4	The Amrit Banaspati Co Ltd , Bombay	5,710	6,300
5	The Vegetable Vitamin Foods Co Ltd , Bombay	3,773	4,200
6	The Amrit Oil Mills, Bombay	1,721	1,900
7	The Bharat Vanaspati Products Ltd , Pachora	7,465	8,200
8	The Ashwin Industries Ltd , Baroda	640	700
9	Lily Oil Industries Ltd , Baroda	267	300
10	The Snow White Food Products, Calcutta	5,206	5,700
11	The Tata Oil Mills Co , Ltd , Ernakulam	430	500
12	The Mysore Vegetable Oil Products, Madras	1,175	1 300
13	The Mettur Chemicals Mettur Dam (Dist Salem)	1,809	2,000
14	The Ganesh Flour Mills Co Ltd , Cawnpore	11,715	12,900
15	The Ganesh Flour Mills Co Ltd , Lyallpur	4 681	5,200
16	The Ganesh Flour Mills Co , Ltd , Delhi	5,727	6,300
17	The Modi Vanaspati Mfg Co , Begamabad	14,118	15,500
18	The Amrit Vanaspati Co , Ltd , Ghaziabad	7,005	7,700
19	The Vanaspati Industries Ltd , Ghaziabad	4,499	5,000
20	The Mysore Vegetable Oil Products, Bangalore	1,469	1,600
21	The Rohtas Industries Ltd., Dalmianagar	4,744	5,200
22	The Jagdish Industries Ltd , Porbandar	3,652	4,000
	Total	142,738	162,000

UNSTARRED QUESTIONS AND ANSWERS

ANAEROBIC FERMENTATION OF COW DUNG

59. Prof N G Ranga Will the Secretary of the Department of Agriculture be pleased to state

(a) if any efforts are being made to get cheaper tanks manufactured for anaerobic fermentation of Cow dung so that ordinary agriculturists can obtain and install them for manufacturing and utilising the gas and manure on their farms and homesteads,

(b) if not, do Government propose to undertake to manufacture them and make them available to agriculturists,

(c) whether any experiments on field scale have so far been made with sufficient replications in different seasons with different crops to test the comparative value of this anaerobic fermented manure as compared to ordinary application of cow dung and artificial fertilisers and direct and residual effects,

(d) for how many years were these experiments conducted and with what results, and

(e) if the experiments so far made are not of such duration, whether Government propose to conduct more adequate experiments?

Sir Pheroze Kharegat (a) These tanks or drums are made of iron sheet and no cheaper material is known

(b) It is considered premature to undertake such manufacture as the process has not yet been tried out under village conditions

(c) Field experiments were carried out in 1944 45 and in 1945 46 with wheat C 518

(d) The experiments were conducted for two years A statement is placed on the table showing the results of the experiments

(e) The question of conducting more experiments on a bigger scales and with different crops will be examined A larger plant will have to be put up for the purpose at a cost of about Rs 7,000

STATEMENT

	Treatments per acre	Yield in Maunds per acre 1944 45	1945-46
A	Am Sulphate at 80 lbs N	34 55	35 96
B	F Y M at 10 tons	35 62	33 68
C	Fresh cow dung and litter 15 tons	35 46	33 10
D	Dry anaerobic F Y M	31 95	29 90
E	Wet anaerobic F Y M.	34 03	34 15
F	Green manure with sunnhemp	36 71	36 15
G	No manure	32 90	33 37

Promotion to Posts of Inspectors, Head Clerks and Telegraph Masters in the P & T Department

60. Mr B. B Varma: (a) Will the Secretary of the Communications Department be pleased to state if the posts of Inspectors and Head-clerks in the Postal Department and those of Telegraph Masters in the Telegraph Department are filled by promotion or by examination?

(b) Is it a fact that out of two hundred candidates who appeared in the examination held on 17th and 18th July 1944 only 108 were promoted as required by Circular No 55 of the Director General of Telegraph, dated the 22nd March 1945?

(c) Are Government aware that the Director General in his Telegraph Circular No 29 of 11th October 1946 announced the promotion of the remaining 92 candidates to the grade of Telegraph Masters without any further examination or interviews?

(d) Do Government propose to give similar concession to the postal side for all the qualified men since 1939, if not why not?

Sir Harold Shoobert (a) Appointments of Inspectors of Post Offices and R M S and Head Clerks to Superintendents of Post Offices are filled by promotion The procedure is that those officials who have qualified in a written examination held for the purpose are interviewed by a Selection Board which, in making its selections takes into consideration the personality, mental alertness and physique of each of the qualified officials The examination is not a mere formality as suggested in the question

(b) The fact is that 321 Telegraphists appeared in the examination for promotion to the grade of Telegraph Masters and 198 of them qualified 106 of the qualified telegraphists were selected in the first instance as announced in Director General's Telegraph Circular No 55 dated the 22nd March 1945

(c) The 92 candidates whose selection was announced in the Director-General's Circular No 29 dated the 11th of October 1946 passed the examination held in 1944 and had also been declared fit for selection by the Selection Board but were not promoted in the first instance because certain allowanced posts which according to the rules are to be filled by Telegraphists who have qualified as Telegraph Masters in the examination were not taken into consideration in determining the requirements The question of further examination or interviews did not therefore arise

(d) No, the two cases are not comparable

SUPPLY WARM UNIFORM TO STAFF OF POSTAL DEPARTMENT

61 Mr B B Varma Will the Secretary of the Communication Department be pleased to state

(a) when the last supply of warm uniforms to the staff of the Postal Department, especially for those who have to work in the night (like the R M S Porters, the Telegraph Messengers and such other employees) was made, and

(b) whether Government propose to arrange for the next supply of warm uniforms to them?

Sir Harold Shoobert (a) The last supply of uniforms was made to the staff of the Posts and Telegraphs Department during the year 1946 and early in 1947 It was decided recently to supply winter uniform to officials at certain stations, for which it was not formerly sanctioned and arrangements are being made to put this decision into effect In a few cases warm clothing has not yet been supplied to officials formerly entitled due to materials for uniform and jerseys not being available from the usual sources

Steps are being taken to obtain and distribute uniforms and jerseys to these officials as early as possible

(b) In view of the answer to part (a) of the question, part (b) does not arise

COMPENSATORY ALLOWANCE TO STAFF OF DARNA CAMP REST OFFICE NEAR DEVLALI MILITARY AREA

62 Sardar N G Vinchoorkar. Will the Secretary of the Communications Department be pleased to state

(a) whether it is a fact that a new Post Office named Darna Camp has been opened in June 1945 for Military purposes in the Deolali Military Area between Deolali P O and Deolali South Post Office,

(b) whether it is a fact that the distance between Devlali Post Office and Devlali South Post Office is more than 5 miles and that the distance between the Devlali Post Office and Darna-Camp Post Office is about a mile only,

(c) whether it is a fact that compensatory allowance is being paid to the Staff employed in all the Post Offices in the Military area at Devlali except Darna Camp Post Office,

(d) the reason for not paying the same allowance to the staff at Darna-Camp Post Office working under similar conditions, and

(e) whether Government propose to sanction payment of the same from the date of the opening of the office?

Sir Harold Shoobert (a) Yes

(b) Distance between Devlali Post Office and Devlali South Post Office is about eight miles and between Devlali Post Office and Darna Camp Post Office is about two miles

(c) Yes, upto 28th February, 1917

(d) The reason for not giving the compensatory allowance to the officials in Darna Camp Post Office was that they were not maintaining double establishment

(e) The matter is under consideration

NON RECOGNITION OF SCHOOL LEAVING EXAMINATION WITH OPTIONAL SUBJECT OF AGRICULTURE FOR EMPLOYMENT IN P & T DEPARTMENT

63 Sardar N G Vinchoorkar Will the Secretary of the Communications Department be pleased to state

(a) whether Government are aware that the School Leaving Certificate Examination held by the Bombay Government School Leaving Examination Board is held equivalent to the Matriculation of the Bombay University for the purpose of employment in Government service

(b) whether Government are aware that the same examination is not so treated for the purpose of employment in the Posts and Telegraphs Department, though with the optional subject of Agriculture it is accepted as equivalent to the Matriculation, and,

(c) the reasons for non recognition of the School Leaving Examination except with the optional subject of Agriculture and for the propriety of the optional subject of Agriculture for employment in the Post and Telegraphs Department

Sir Harold Shoobert (a) The School Leaving Certificate Examination held by the Bombay Government is regarded as equivalent to the Matriculation Examination under the following conditions, namely,

(i) that the holder of the School Leaving Certificate has completed and passed in the courses laid down for Agricultural schools or for Technical schools or for Commercial schools and

(ii) that the holder of the School Leaving Certificate who has attended a vocation school and passed the examination for the course concerned has also passed in a test in a classical language or a modern European language of the Matriculation standard held by the University

(b) an enquiry has been received from the Postmaster General, Bombay on the subject and the matter is under examination

(c) The Honourable Member is referred to the reply given to parts (a) and (b) of this question

STATEMENTS LAID ON THE TABLE

[INFORMATION PROMISED IN REPLIES TO CERTAIN QUESTIONS—LAID ON THE TABLE OF THE HOUSE TO DAY]

Mr B P Jhunjhunwala's Starred Question No 1447 (a), (i) and (ii) of 1st April 1946

COST AND NUMBER OF HINDI AND OTHER BROADCASTS

	Provinces	Number of school going boys and girls reading		
		Hindi	Urdu	Other Indian Languages
	Assam	8 085	8 176	*
	Bengal	29 384	34,045	7,86,276
(a)	Bihar	8,29 110	1,19 884	1,19,086
(b)	Bombay	7,358	1,46 840	*
	C P & Berar	2,29,399	*	2,75,363
(c)	Madras	67,739	*	2,92,261
	N W F P	10,416	1,08,491	*
	Orissa	1 234	7,476	2,72,520
	Punjab	1,41,394	9,18 117	71,235
	Sind	16,582	19,555	2,03,708
	U P	12,76 908	5,12,179	
	Ajmer Merwara	26,289	6,196	
(d)	Coorg	70	503	14,960
	Delhi	29,430	35,8 4	1,913
	Baluchistan	2,011	10,310	795
	Total	26 76 339	19,27,646	20,38 116

*Figures not supplied by Provincial Governments

(a) Figures denote number of pupils at the primary and middle stages of education

(b) Figures exclude those of 9 secondary schools in Bombay city which are unavailable due to disturbances

(c) Hindi is not taught in Elementary Schools in Madras It is taught as an optional language in Secondary School

(d) Students are learning Hindi as an additional subject

Total number of students reading Hindi 26,76,339

Total number of students reading other Indian Languages including Urdu, but excluding the figures of N W F P, Bombay Madras and Assam which have not supplied the figures of Indian languages other than Hindi and Urdu 39,65,763

Province	Percentage of boys and girls reading Hindi
1 Ajmer Merwara	81 9%
*2 Bihar	77 6%
3 C I & Berar	45 4%
†4 Delhi	43 8%
‡5 U P	72

*Represents percentage of pupils in primary and middle stage of education

Percentage of boys and girls reading Urdu			11 2
†	Ditto	ditto	53 4
‡	Ditto	ditto	82

Pt Sri Krishna Dutt Paliwal's Starred Question No 89 (c) of 30th October, 1946

BAN ON NETAJI SUBHAS CHANDRA BOSE

The Bengal Government have reported that two cases are pending against Mr Bose—one under rule 34(6) (e) and (k) read with 38(5) and 38(1) (a) and (c) of the Defence of India Rules before the Additional Chief Presidency Magistrate, Calcutta, and the other under rule 38(1) (a) and 38(5) of the Defence of India Rules before the Additional District Magistrate, 24 Parganas

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Mr Manu Subedar's Starred Question No 246 of 6th November, 1946

MONEY REALISED BY DISPOSALS

Statement of monthly sales effected since November, 1943

Month	Total sales Rs	
November 1943	3,11 333	
December 1943	12,79 125	
January 1944	7,03 191	
February 1944	9,19 857	
March 1944	12,21 592	
		44,38 400
April 1944	13 45,535	
May 1944	15,23 277	
June 1944	17 68 684	
July 1944	25,35,660	
August 1944	18 61,324	
September 1944	19 84,618	
October 1944	23 45,142	
November 1944	25,37,193	
December 1944	20,31,131	
January 1945	30 48 158	
February 1945	30,13 915	
March 1945	32,77,440	
		2,72,72,426
April 1945	42,73,214	
May 1945	30,11,783	
June 1945	40,28 883	
July 1945	61,67,365	
August 1945	39,77,302	
September 1945	61,50,681	
October 1945	43,69,138	
November 1945	1,03,16,207	
December 1945	1,37 82,939	
January 1946	1,73,95,320	
February 1946	1,57,53,047	
March 1946	2,64,43,591	
		11,56,98 873

Month	Total sales Rs	
April 1946	2 91,24 615	
May 1946	4 19 02 401	
June 1946	3 19 49 154	
July 1946	11 80 99 832	
August 1946	10 53 7 227	
September 1946	7 07 83 213	
	————	40 21 38,442
Grand Total		54 95,18 141

(Note —The Grand Total now given is the correct figure The figure of Rs. 55 crores given in the answer was an approximation only)

Mr Sasanka Sekhar Sanyal's Unstarred Question No 37 of 6th November, 1946

MONEY SPENT ON IRRIGATION PROJECTS IN BENGAL

(a) *Rs* 15 97 lakhs.

(b) 110 schemes

(c) Such projects are selected on individual merit only

Mr Manu Subedar Starred Question No 358 of the 8th November, 1946

NUMBER OF I C S OFFICERS IN EMPLOYMENT OF GOVERNMENT OF INDIA, AFTER CONFIRMATION OF NORMAL PERIOD OF SERVICE

(a) and (b) Eight I C S officers who completed the normal period of service are in Government employ Details are as follows —

S No	——	Present emoluments	Functions
1	Sir Sidney Burn	Rs 3,000 p m.	Chairman, Madras Public Service Commission.
2	Sir Jamsetjee Madan	Rs 2 750 p m. + pension.	Chairman, Bombay Sind Public Service Commission.
3	Sir Navroji Wadia	Rs 1,000 p m as Honorarium + Pension	President of Bombay Revenue Tribunal
4	Mr A H Dash, C I E, I C S	Rs 3,300 p m	Chairman, Bengal Service Commission
5	Sir Percy Marsh, C S I C I E, I C S	Rs 2,500 p m	Chairman, Punjab Public Service Commission.
6	Sir Alan Lloyd, C S I, C I E I C S	Rs 2,250 p m	Establishment Officer to the Government of India and Examiner of Capital Issues. *Duties* —Selection and appointment of officers of the rank of Under Secretary and above in the Government of India Secretariat administration of the combined Finance and Commerce Department cadre, and of the General Administrative, Reserve, and control of capital issues

S No	——	Present emoluments	Functions
7	Sir F W Robertson, C S I, C I E, I C S	Rs 4,000 p m	Chairman, Federal Public Service Commission
8	Mr H K Kirpalani C I E, (I C S,)	Rs 3,750 p m	Industrial Adviser and *ex-officio* Additional Secretary to the Government of India, Department of Industries and Supplies *Duties* —to work closely with expert developing industries in India, to correlate their reports and to submit an Industrial plan to Government

Seth Sukdev's Starred Question No 441 (c) *of the* 12*th November*, 1946

HOUSING ACCOMMODATION IN PROVINCES FOR OFFICERS OF THE CENTRAL PUBLIC WORKS DEPARTMENT

The Executive Engineer, Karachi, had rented in November 1940 half portion of a house for his residence The accommodation having proved inadequate for his requirements the other half of the house was requisitioned for his use by the Government of Sind at the request of the Central Government When this officer was transferred, he retained the rented portion of the house for certain members of his family, while the requisitioned portion was allotted to some other officer by the Rent Controller On the present Executive Engineer's representation to the Collector of Karachi asking for residential accommodation the entire house was requisitioned by the Collector and given to him for his residence shifting the other officer occupying the requisitioned portion elsewhere

Hajee Chowdhury Mohammad Ismail Khan's Starred Question No 211 *for the* 11*th February*, 1947

Income-Tax Department, Bengal.

		Total	Muslims
(a)—	(i)	7	3
	(ii)	23	13
	(iii)	12	8
(b)—			
	(i)	2	1*
	(ii)	3	3
	(iii)	4	4
(c)		6	3
(d)		Officers who reached efficiency bar :	
		46	12
		Officers held at efficiency bar :	
		15	5
(e)		37	10

(f) On the 31st March 1943 there were 4 Examiners of Accounts, all Muslims, no promoted as Income tax Officers while their juniors had been These 4 have since been promoted

Mr Ahmed E H Jaffer's Starred Question No 260 *of the* 13*th February*, 1947

TRIBAL RAIDS ON THE N -W FRONTIER

(a) No, except in the Dera Ismail Khan District where more tribal raids occurred than usual

(b) Twenty two
(c) Twenty four
(d) Rs 375,623 approximately

* Was reappointed Examiner of Accounts.

MESSAGE FROM THE COUNCIL OF STATE

Secretary of the Assembly. Sir, the following message has been received from the Council of State —

'I am directed to inform you that the Council of State at its meeting held on the 24th February, 1947, agreed without amendment to the Bill to amend the Criminal Tribes Act, 1924, which was passed by the Legislative Assembly on the 14th February, 1947

12 NOON

THE RAILWAY BUDGET—LIST OF DEMANDS—*contd*

SECOND STAGE—*contd*

DEMAND NO 1—RAILWAY BOARD—*contd*

Amenities for Passengers

Mr Ahmed L H Jaffer (Bombay Southern Division Muhammadan Rural) Sir, I move

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

I wish on this motion to discuss the question of amenities for passengers Last year I spoke on a similar cut motion moved by my Honourable friend Pandit Bhargava, and this year it is my misfortune to move the same motion on a subject which is engaging the attention of the Indian public and the masses I would not have taken the trouble of moving it if it were not for the fact that the other day I heard with great attention the speech of my Honourable friend the Railway Member replying to the general debate, in which he said that this question was engaging his personal attention and that he will do everything in his power to see that the inconveniences to passengers are redressed I take him by his word, knowing him as I do, and I am quite certain that as he is at the helm of affairs the railway administrations will remedy the grievances at an early date Every year we bring forward cut motions and this question is debated here, and all kinds of assurances are given by Government, but when we meet again after a year we find we are where we were I therefore feel that when we meet after a year it should be the duty of the Railway Member and the Railway Board to give us a statement of debit and credit to show what has been done and how far the assurances given to us have been implemented I am also sure that as the Railway Member represents one of the major political parties in the country he will realise that he is responsible to the masses and will do his best to see that they travel in comfort The other day when the Railway Member proposed an increase in fares I opposed it and I again oppose it on the ground that unless you utilise this increase for the betterment of passengers' amenities it will be quite useless But let us see the position He expects to spend 7 crores on general revenues, 5 crores on the reserve fund and 5 crores on the betterment fund out of amount realised by increase in fares, and out of these 5 crores for the betterment fund he proposes to spend 98 lakhs towards amenities for passengers Before going into details I will briefly give the history of this betterment fund This fund came into being in 1945 on a decision by the Standing Finance Committee and was mainly started for providing amenities for third class passengers and also for other passengers In their report on Indian Railways for 1943-44 the Railway Board have prepared a post war plan for seven years in which they deal with amenities for third class passengers They say they propose to spend one crore in the first years four crores in the second year and eight crores a year on an average in the subsequent five years *i e*, it comes to 45 crores in seven years or 6½ crores per year Now let us examine the position My Honourable friend referred to the report of Mr Neogy's Planning Advisory Board In the memorandum placed before that Board by the Railway Board they say that for improved amenities for passengers provision of 5

crores has been made for a period of five years That is to say, from 6½ crores per year they have at present come down to one crore per year I hope the Honourable Member when he replies to the debate will tell us how the policy has been changed afterwards and whether Government stick to the original plan or want to go back upon it

Now, Sir, the grievances of passengers are innumerable and we want to know how this Government are going to remedy them I personally have a suggestion to make This House has got a Standing Committee on Railways which deals with the larger interests of the railways The Honourable Member for Railways would do well to appoint a small committee of non official Members of this House from every province, only for the period of the session, to advise the Honourable Member with regard to amenities for passengers It will not deal with railway policy and it will cost nothing to Government I am sure there will be many members of this House who will agree to serve on such a Committee Then as in every province there is a Railway Advisory Committee which meets once in three months or in six months, in every town and every district they should have a people's committee, as in Bombay they have the Peoples Provincial Food Council which advises Government in matters of food So there should be in every district a committee of non officials to advise the local railway administration because the people on the spot know best their own problems and difficulties It is up to them to make suggestions and it would be binding on the railway administrations to give effect to these suggestions Let us see what amenities have been promised by the Railway Member in his memorandum I would refer to other items later, but I would just like to point out that they have provided only Rs 32,000 for bathing facilities for the people where as they propose to spend Rs 3,20,000 on improved station approaches We do not want improved station approaches, we do not want any outside decorations we want to spend money on such items when it can be spent in a better manner on more important things

Now I will begin with my tale of woe of the third class passenger His position is miserable and he has to face troubles at every stage His trouble begins before coming to the station he must leave his house as early a eight hours before the arrival of the train in the hope of getting his tickets Generally he has to come overnight and sleep on the footpath and has to wait for hours before he can get a ticket, if at all The booking office opens about half an hour before the train is due to arrive and there is a big queue with the result that some people get their tickets, others cannot When the train arrives the poor third-class passenger is unable to get into the compartment it is already overcrowded, and the doors are jammed Some of them who are lucky, get in through the windows others are thrown out Those who are fortunate enough to get in have to keep on standing all the way through And look at the facilities provided for these poor men No proper seating arrangement, no cushions no fans, no light, no proper W C Inside the W Cs which are two feet square there are no taps for water, and in any case a fat man can hardly get in This is the plight of those who were lucky enough to get in Others who were left behind must wait for the next train and in the meantime they cannot take shelter under a roof No enclosures are provided for the waiting rooms dogs and cattle can walk in and the poor man is in good company

The [illegible] states very clearly that most of the income is derived from third-class passengers It says

"The Intermediate and third class passenger provides about 89 per cent of the passenger revenue of the Indian Railways"

I see no reason why Government should not make available substantial amounts to be spent for providing amenities for third-class passengers I am sure the Honourable Member during his student days must have travelled

[Mr Ahmed E H Jaffer]

in third class compartments in England, and he will admit that the conditions prevailing there are much better than what they are here The other day I was presented by Dr Zia Uddin a book written by him—Indian Railways—in which he has mentioned the amenities offered to third-class passengers in the United Kingdom He says

"The third class passengers are treated in the same manner as upper class passengers Some railways have recently provided sleeping accommodation for third class passengers in sleeping cars, and they are served with meals by refreshment room and restaurant cars in the same manner as passengers in the upper classes The charges in railway refreshment rooms do not differ from charges in other restaurants of the locality Heating and cooling, fans, sanitary bathrooms, good supply of water

Why should not these things be made available to people in India If the Honourable Member cannot look after the third class passengers properly, he should abolish four classes and have only two—1st class and third class—as is the case in England This is what the Wedgewood Committee also recommended

Then I come to the question of overcrowding in trains It is no denying the fact that the trains at present are always overcrowded, and it is not so in the case of Inter and III class compartments only, but first class and second class compartments are also overcrowded I know it for a fact that at every station more 1st and 2nd class tickets are issued than the capacity of the train would permit I have seen 8 to 12 people travelling in a first class compartment with a capacity of only 6, and that is the case especially between Bombay and Delhi People have to sleep on the floor, whether it is 1st class or 2nd class I would request the Honourable Member to take steps to put additional coaches on these trains Possibly the Honourable Member might say we have our own difficulties, coaches are still with the military, and so on' But may I point out that the war is over and it is the duty of Government to look to the comforts of the civilians who have undergone so many hardships during the war I remember last year when Sir Edward Benthall was speaking on a similar cut motion he gave us certain figures of railway carriages which were with the military The figures that he gave were 1366 broad gauge carriages, and 416 metre gauge carriages I would like to ask the Honourable Member how many carriages are still with the military and how many have been returned I would suggest that these carriages should be taken back from them The war is over and there is no need for any special military trains These carriages, which are released should be made available for civilian traffic I have already said that third-class and Inter class compartments are packed like sardines, and most of the passengers have to remain on their legs all the time Some have to travel on footboards, they have no other alternative, and our good Government has decided that those who travel on footboards will be prosecuted It is another hardship for them, either you make additional coaches available for them, or you let them travel on the footboards at their own risk If my Honourable friend is so sympathetic towards them, I hope he will arrange to provid additional coaches for third-class passengers

Today what little comforts there are for the poor travelling public are because of one fact—road transport in India The Railways have always been afraid of motor transport, that is their main competitor, and they want to kill that competition They want to take over the buses and have rail road coordination We do not want to have it, because the position of passengers will be worst then what little comforts there are will also be gone The position has already deteriorated since the Railways have been taken over by the State

The Honourable Member said this morning that the Frontier Mail is not always overcrowded I know it for a fact that even Air Conditioned coaches come empty now-a-days because most of the people who used to travel by Air Conditioned coaches now travel by air It is a loss of revenue to let these coaches run empty

The Honourable Member said this morning that the trains are not late by few hours—perhaps he meant by few minutes—but I am prepared to discuss it with the Honourable Member and prove it to him that the Frontier Mail is always late by a few hours from each side

With regard to overcrowding, the Honourable Member might say that they have no coaches What about the saloons which are lying idle because the Honourable Members generally go by air I would suggest that half of these saloons should be converted for use of civilian traffic Otherwise the day is not far when the Honourable Member will have to face the situation which one of the Honourable Members of the Nizam's Government had to face once when he was travelling in his special saloon At Secundrabad some military officers got into his saloon and occupied it without his permission If the Honourable Members travel with all these comforts, we have equal right to travel with them in their saloons, at least when there is no accommodation available in the train In this connection I would like to say that recently when I went to Aligarh I found that the Honourable Mr Liaquat Ali Khan and the Honourable Sardar Abdur Rab Nishtar were travelling in one saloon with all their staff They could have taken two saloons, but they decided to travel by one I would advise other Honourable Members to follow this example, and place whatever accommodation is surplus to their requirements at the disposal of other people

With regard to air conditioning, I would like to suggest that 2nd class compartments should also be air conditioned If you look at the Air Conditioned coach put on the Frontier Mail, you will find that in the same coach there are two second class compartments but they are not air conditioned Why should not you give the same facility to second class passengers, so that those who are prepared to pay Rs 12 or Rs 10/14 per seat extra may enjoy this additional comfort There should be no differential treatment to first and second class passengers in this respect I hope the Honourable Member will take steps to get the second class compartments in the Air Conditioned coaches air conditioned It is a great boon to the public especially during summer and I am sure it will bring additional revenue to the Government

With regard to the question of late running of trains, I would like to say a word The trains, as you are aware are always late, and the worst part of it is that we are never given correct information by the booking offices with regarding to the arrivals and departures of trains The other day I was told that a train was due at 8 10, but when I went to the station I found that it was half an hour late Actually the train arrived at 10 O'clock While at the station I found that even the Enquiry Clerks were so much fed up that they had kept the receiver down When you have got an enquiry office, you must have separate staff for this purpose I would tell the Honourable Member that at most of the stations there are no proper arrangements for retiring rooms waiting rooms and cloak rooms Look at New Delhi Station which is supposed to be the station of the Capital City of India I would advise the Honourable Member to make every effort to set an example at New Delhi Last year when there was a curfew, people coming from outstations who did not know about it had no place to sleep There was no cloak-room even As a matter of fact what is the position of retiring rooms at Ajmer and Delhi torn mattresses, bugs furniture never polished, broken chairs! Look at Ajmer? Conditions there are as bad Why not have retiring rooms like in Bombay Central and Victoria Terminus? I would suggest that at big stations there should be retiring rooms especially now when there is difficulty of hotel accommodation

Sir N V Gadgil (Bombay Central Division Non-Muhammadan Rural): Third class?

Mr Ahmed E H Jaffer Yes, even of third class, even if you have to charge Rs 5 and Rs 2/8 a day Third class passengers who can afford to pay, will pay this In Poona we have first class waiting rooms, but no retiring rooms

[Mr Ahmed E H Jaffer]

One word about the staff I hope they will have Welfare Officers who will train their staff to be polite and courteous to people This is wanting in the railway staff and I am sure the Honourable Member must have received many complaints

And what about corruption? I know of a friend who always gets an air-conditioned coach on the morning that he decides to go from Bombay to Delhi or *vice versa* provided he brings forward a Rs 10 note! Even for ordinary purposes there are berths reservations At the last minute these reservations are given away to others who pay the necessary bribe

Now about the late coming of trains When passengers have to wait on the platform, there should be certain arrangements for their entertainment They should have some radio entertainment I would at least suggest that those third class passengers who throw banana peels on the platform should be advised correctly by loud speakers They should be given proper instructions as to how to use trains, they may be told when a train is coming in what time it is due and so on A third class passenger has not the courage to go to the booking office and even when he goes the clerk does not give him the proper information, especially when he cannot give correct information to first and second class passengers like us

One word about the compartments I want to refer to catering arrangements and about the bulbs in the trains Last year the Honourable Sir Edward Benthall when he was speaking on this motion said that they expected to receive 7½ lakh bulbs against the requirements of four lakhs and he said that by the end of the year he would have all these bulbs In every compartment we have one bulb There is none in the bathroom whereas in the compartment there are three or four sockets I want to know from the Honourable Member whether he has received those bulbs and what has happened? Otherwise provide them immediately It is a great entertainment to read at night and as things are we shall have to go to the doctor for bad eyes Look at the Nizam's Railways! You had the excuse of the war Even in war the Nizam's Railways were most efficient There were polished wood work and very good comfortable seats On our railways you can see torn berths Once I was travelling with a passenger friend and he fell down from his seat due to its poor condition

Mr President Cut motion moved

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

Shrimati Ammu Swaminadhan (Madras City Non Muhammadan Urban) I rise to support the cut motion so ably put forward by my Honourable friend, Mr Jaffer I think he has covered all the ground

Mr Ahmed E H. Jaffer No

Shrimati Ammu Swaminadhan: There is therefore not very much left for me to say But I want to tell the Honourable the Railway Member that I am very glad indeed that he is going to look into the case of third-class women passengers about giving them more amenities and facilities

Sjt N V Gadgil He is not allowed entrance!

Shrimati Ammu Swaminadhan But I like to tell him that I do not speak only for the women third class passengers I speak for all third class passengers It is not enough for women alone to have certain amenities and facilities All men and women who travel in the third-class today suffer alike and it is necessary for him to look into the whole question of more comforts, or less discomforts for third class passengers The Honourable Transport Member must not forget—and I know he won't—being an economist, that most of the income that the railways receive today is from third class passengers and

I might quote that from the report on railway administration that we have received, we find that over Rs 86 crores is the revenue received and only six per cent of that amount comes from first class passengers and of the 140 crores of passengers, only 30 lakhs are first and second class passengers So when you see these figures, it shows that most of the passengers who travel by rail are third-class passengers and the largest portion of the income that railway gets is from third-class passengers So it is only a very legitimate thing to give them a little more comfort than they get these days

With regard to women passengers, there are a few things that I would like to suggest, which perhaps may be carried out in the immediate future First of all, the women passengers in over crowded trains find that they have to travel for hours together without being able to get any milk or anything at all to drink for themselves, more especially for their children It is very necessary to have in the train itself certain amount of milk so that it can be supplied to little babies and young children, and very often there is not even water for these women and children who travel in third class compartments

In regard to refreshment rooms in large stations, these passengers are not able to move from their places, because if they get out even for one moment at some station, there will be three passengers to occupy every one seat vacated So it is impossible to get out of the train and go into any refreshment room to get anything for themselves and their children So it is absolutely necessary to see that these things are provided for And in each station, or as far as possible in a great many stations, water and milk for children and other light refreshments at least should be available for these passengers who travel for hours together without getting anything to eat or drink I know the greatest difficulty today is the overcrowding of trains It is very often said, and I am afraid it is a very hackneyed term, and my friend Mr Jaffer has also used it that people who travel in third class compartments are 'packed like sardines I do not know how many Honourable Members here have seen sardines in tins They, at least, have full lying space They are not put together in a crumpled position So the sardines that are packed in tins are far better off than the third class passengers who are packed not like sardines, but who are packed like—I do not know what to compare it with! They do not have even leg room Many of them have to travel with one leg on top of the other because there is no room to put two legs together and if they come out of the compartment to stretch their tired limbs after having been in a cramped position, they find when they go back that even that seat is gone This is very difficult and a great hardship for those who travel for many hours and sometimes for the whole night and day They have to sit in that most uncomfortable position How could our people go on suffering like this when the railway authorities who receive most of the revenue from those passengers do not even give them little more amenities? I know it has been said during war time the overcrowding of trains could not be helped as it was not possible to put on more trains on the lines as there were not enough engines to run more coaches I agree, and as far as possible we tried not to bring up this question too often those days But today the Honourable the Railway Member must know that we are looking up to him to see that these suggestions that have been made in this House for years and years are at least given effect to now It used to be the fashion to bring these matters forward on the floor of the House Many Members would get up to speak on them, and the Railway Member, whoever it may be at the time, would listen earnestly to the debate and say "We are going into the matter" Very often the words "looking into the matter" was changed to "giving active consideration to the question' I do not know what "active consideration" actually means in the dictionary of the Government of India I hope it really means what it does in the literal sense, at least now and I trust that the Government will give active consideration to see that the passengers are not put to such great difficulty

[Shrimati Ammu Swaminadhan]

Not only are the passengers put to hardships while travelling on the trains but as Mr Jaffer said, their difficulties begin from the moment they arrive at any station They find it very difficult to get a ticket to begin with and even when they get their tickets they are pushed about from one place to another And then at last if somehow they succeed after a great deal of pushing and jostling to get into the train, they experience all these difficulties mentioned earlier

Apart from the overcrowding in the compartments, the passengers sometimes have to travel in the awful latrines of the third class compartments I know that some servants of mine coming from Malabar to Madras had to stand the whole night in such a latrine, because in the third-class compartment there was not enough room even to drop a pin The House can imagine what the man would feel like the next morning after having had to spend the whole night in that latrine

Talking of latrines there is one thing that I would like to suggest with regard to third class compartment latrines It is absolutely essential that there should be frequent inspection of these by railway staff There should be men posted at frequent intervals to go and see whether they are kept clean and also whether the whole compartment is clean Now nobody looks into these things, except sometimes at big stations If the compartments are not crowded something is being done But if they are packed, as they usually are, nobody goes anywhere near them and the whole carriage remains as dirty as they can possibly be I hope that the Railway Board will see that Inspectors are appointed who will look into this particular thing and they should also see that this rule regarding cleanliness is strictly enforced

I would also like to make another suggestion with regard to third class passengers' comforts I think it would be a very good idea to appoint some women conductors I know that this has been started in certain stations in South India but I do not think that it is enough that they should be present at certain big stations It is necessary for one or two women conductors to travel in the train, so that they can come out and see the women passengers off and on and help them if they needed any help I feel that if this is done the lot of the women passengers would be much better than what it is today

With regard to refreshments, at the Victoria Terminus, Bombay, there is a very good refreshment room and people who are delayed there for a few hours can go and have Indian as well as European refreshments at that station But in Madras Central Station, if any unfortunate passenger happens to stay there for some hours there is no Indian refreshment room at the station at all This is a matter which has to be looked into A man who is not accustomed to European food will find it very difficult to have to go out of the station to get some refreshments This is a very great hardship People who are passing through a city like Madras and who have perhaps to spend a whole day sometimes and who cannot go out of the station because they have their luggage which they might not be able to leave behind, find it very hard to get some refreshments and they have to go without any food at all I hope the matter of refreshments as well as the improvement of the quality of food served will also be considered

Speaking of refreshments I must say that I am very much afraid that the contractors or whoever run the refreshment rooms are taking full advantage of the scarcity of food in the country and they give as bad food as possible which they can get hold of at the cheapest prices and give it to the unfortunate passengers, who have to take it because they have no other This matter requires the very serious consideration of the Railway authorities today

With regard to overcrowding the only thing that would perhaps be helpful just now is to consider the Wedgwood Committee's report about making the first and second classes into one I know that this question has been considered by the railway authorities for a long time and the Honourable the Railway Member himself has told us that it is being considered but I hope that he will seriously think of getting something done about it as soon as possible, so that many more coaches will be available to third class passengers and this overcrowding will be relieved to a great extent

I am quite sure that the Honourable the Railway Member is fully aware of all the difficulties and sufferings experienced by the third class passengers I would like to suggest to him and the Members of the Railway Board that it would not be a bad idea for them to travel sometimes in third class compartments, so that they might have personal experience of what is going on there They must only take care not to allow it to be known that they are railway officials and the Honourable Member himself must see to it that he goes absolutely *incognito* Then he will know what the people have to undergo in the third class compartments Theoratically we all know what people suffer from but it always has a much better effect if one experiences certain discomforts oneself I know that many of the members of the Railway Board and the Honourable Member for Railways and Transport will be usually travelling in their saloons but I think it would be a very good idea if they travel in third class compartments so that they will have firsthand and personal experience of what it is like I do feel that I need not say anything more on this but I hope that this matter of giving amenities and making third class travel less uncomfortable will be taken up very seriously and whatever can be done will be done before long

Sir, the model coach for the proposed new third class carriages was shown to us at the last year's meeting of the Railway Advisory Board We all approved of the model coach but I hope it will not remain a model much longer, that coaches will be built to that pattern or perhaps with more improvements than we had suggested last year and that they will be put on the lines before very long

I know that finance is a question that has to be very seriously considered in these matters but I am sure that a great economist like the Honourable Member for Railways and Transport will be able to see that money can be stretched so that all these facilities can be given I am sure it would be easy to make calculations in such a way, so that some money that goes into some other kind of work can be utilised for this which certainly needs the urgent consideration of the Honourable Member

Sir with these words I support the cut motion moved by the Honourable Mr Jaffer

Mr. C P Lawson (Bengal European) Mr President, Sir, I hope that the Honourable the Railway Member and his three musketeers who are bending their heads duly before the storm have also taken due note of the very careful and thoughtful speech that has just fallen from my Honourable friend Mrs Swaminadhan I listened to the speech of the Mover and I must say that I agree with him in a lot of what he has said, although perhaps his somewhat stuccato methods mystified certain members of the House I agree with him particularly with reference to what he said regarding overcrowding There is no question about that In talking of amenities, overcrowding on Indian trains is about the worst thing that happens and moreover it is a fact that certainly to people from abroad, the merits of a country are largely judged by its railways When they are confronted at all main stations with what can be described as nothing more or less than a free fight in front of every carriage when the train stops a bad impression is given not only to people from abroad but to the people in the country too It seems to me, Sir, that this is a point which might have

[Mr C P Lawson]

received a little earlier examination and some attempt might have been made before this to tackle it I know the tackling of it will be difficult But, for instance to cope with the rush hours in London underground stations there is a method of barriers with gaps in them so that there is not one mad rush for the windows and the doors and a free fight in front of the carriages to stop people from getting in The overcrowding itself is a particularly bad thing to see One has seen chickens and goats being transported in wagons at the back of trains and walking from them past the carriages for humans you begin to think that the chickens and the goats are more favoured

But Sir, when we get to the stage of talking about overcrowding there is invariably a demand for a reduction of classes Some people say 'remove the first class' Some people say join the first and second But that suggestion does not seem to me to bring any kind of solution to this problem The point surely is to raise the standard of travelling and not to cut off the top of it And if this can be done I suggest that it should be the policy that the Railways should follow to raise the general standard and not drop a class here or a class there to reduce the standard of travel rather than bringing it up

Mr Jaffer asked a particular question of the Railway Member and I am afraid I must say that he should have known the answer if he has read his papers He referred to what is undoubtedly one of the causes of overcrowding and that is the fact that something more than 10 per cent of the coaching stock in 1939 was requisitioned by the Services According to the Railway Member's own figures less than half of that quantity has been returned Now, Sir, I do not want to talk here about a Department that is not represented although it does appear to me that the reluctance of the Service authorities to return requisitioned property is not confined to immoveable property More than 10 per cent of our coaching stock was presumably requisitioned during the war, and if they have now returned only half of that I think that the question requires examination Although I can well appreciate the difficulty in producing new coaching stock it does not appear to be necessary that the Forces should retain such a large proportion I do not wish to be unreasonable but I do suggest to the Honourable the Railway Member that he has a word with his colleague in charge of the Defence Department and asks him whether it is not time he did a little bit more about handing back requisitioned property—not only immoveable property but moveable property too The figures that appear in the Honourable Member's budget indicate that in 1939 there were 12 347 broad gauge wagons out of which 1390 bogies were taken by the Armed Forces So far according to his figures only 679 of these bogies have been returned I am sure that the Honourable the Railway Member will be obliged to me for saving him the trouble of giving these figures to the mover

Now Sir while on the point of figures it might be well to remember that out of 11 100 broad gauge coaches, according to his figures which he expects to have at the end of March this year 3 500 will be overage stock That, Sir I think requires a certain amount of explanation not so much in regard to the figure which we can well understand after the war period, but I would like to know just what is being done about this quite large proportion of overage stock For instance, minor repairs of wagons, as the Honourable the Mover said, are really in a very bad way I think the Honourable the Railway Member would agree that the general maintenance of railway stock has fallen and fallen badly We know that the wagons are lacking in fittings that never seem to be repaired Window catches have gone the electric fittings have gone the lavatory fittings have gone and it does not seem that there is any careful inspection and repair of these items Before the war there was I like it rather more frequent inspection and there was a greater ability to put these things right quickly I think my friends opposite will agree that maintenance has gone back So in the matter of these overage wagons Sir what is being done? Is it worth while

repairing these wagons, putting them in decent condition, or are they to be left to go to general average? It is not only the question of minor repairs which, as the Honourable the Mover said, is very bad, but I submit that the general cleanliness and the general care of all classes of carriages has deteriorated Mrs Swaminadhan pointed out the quite disgusting state of lavatories on railway trains I would entirely support her Sir we may be short of a lot of materials, we may be short of a lot of expert service to mend these things, but, surely, it must still be possible to keep things clean I strongly suspect that a real effort is not being made to keep carriages clean or at least anything like the effort that used to be made in the days before the war The war has been made an excuse for a lot of things but we are getting a little tired of it as an excuse and I cannot help thinking that so long after the end of the war it should have been possible to put some of these maintenance jobs into operation

While we are on the subject of cleanliness perhaps I may mention another point I would like to talk for a minute about a certain type of ticketless traveller The first of these is sometimes known as *Pulex Irritans* While it will be unnecessary for me to translate this phrase to you Sir there may be some Members of the House who would be interested to know that *Pulex* means a flea and *Irritans* means irritating Sir, to go further another ticketless traveller is sometimes known as *Cimex Lectularius* To translate again *Cimex lectularius* is not any more or less than the homely bed bug There are also a host of other insects which belong to the Blattidae family —the cockroach, the earwig and a number of other insects Now Sir all these ticketless travellers although they take up very little room, it cannot be said that they do not make their presence felt In fact many a night may be rendered horrible by their attentions The Blattidae family are apt to feed on the food that people bring for their journey but the other two ticketless travellers feed on a somewhat more distressing type of nourishment which I am sure my vertebrate friends would not approve of

I must also mention the diseases that these insects carry and who knows how many of these diseases have been started by a railway journey Now, Sir I do not think that the Railway Administration have so far carried out a really strong frontal attack upon these ticketless travellers Insecticides have during the war, and since made very considerable strides and it is possible now I think, to deal with insect pests in carriages very much more effectively than has ever been done before The trouble about a number of these insects is that they hide themselves in holes and corners about the carriage into which the ordinary spray or powder cannot penetrate but there are modern methods by which the insecticide can be carried in the form of smoke into every nook and cranny in the carriage The smoking is done by a quite small pellet from which smoke will carry the insecticide into all the holes and corners By means of this it would be possible now I think, to remove these insect pests from all carriages and if this can be done I am sure that the travelling public would be extremely grateful to the Railway Board

Sir, in the main the question of travel has been covered very adequately by the Mover Even if you were to give me another ten minutes I very much doubt whether I could get as much into it as the Honourable Mover did It was a positive spate of objection and complaint I hope the Railway Member when summing up the debate although there is a very considerable amount to reply to will do his very best to give attention to some of the points raised and indicate the lines on which the Government of India propose to deal with them

Dr P G Solanki (Nominated Non Official) I rise to support whole heartedly the motion which the Honourable Mover Mr Jaffer, has made He has ably and eloquently put the case in regard to the inconveniences, harassments and hardships and discomforts of the third class passengers I must admit that

[Dr P G Solanki]

during my boyhood I used to travel by third class and even now before I came to this Honourable House I used to travel in the Inter class and I can say that the condition of the passengers from Bombay Central even up to the suburbs is very miserable If this can be so, what should be the plight of the third class passengers and the Inter class passengers travelling from Bombay to Delhi and further up

The first difficulty that these passengers experience is that they do not get tickets In such a big station as the Bombay Central there is actual goondaism bribery and corruption going on and who are the active agents in that I have found from my personal experience and I have heard from friends that it is the railway employees who are responsible The men standing near the windows of the booking office and the police try to harass and prevent the advance of the passengers to the window of the booking office There is a queue, as Mr Jaffer said, from the entrance to the station up to the window The very men who stand there to keep peace and order are the men who tell these passengers that they cannot get tickets in that way and that they should try to approach the man in the booking office by some other way What is the other way The way is to pay money to these men in order that they may get the tickets The poor passengers pay four or eight annas and get the tickets for fear of being stranded I have also heard from friends that these people hurry from their home 3 or 4 hours before the train is due to start to get the tickets to go to Gujrat or long distances These people go there hungry for fear of missing the train In this way also they undergo lot of discomfort So these people are not even allowed to enter the places where they can get the tickets The result is that these people wait for hours and hours Sometimes at the eleventh hour they are told that the booking is closed and no tickets are available People are thus stranded and they have no place to go to and they spend the night in the platform or outside on the footpaths During the riot days, the life of the citizens was not secure Under these circumstances you can well imagine the hardship of the third class passengers without any protection and without any means of satisfying their hunger They have to wait till another train starts I have heard that for one or two days people do not get any tickets and even then only by paying money and bribing people there that they are able to get This is the condition in the place from which they begin to travel When they get into the train what do they find When the train comes on the platform the compartments are taken possession of by *goondas* who are in the compound of the Bombay Central Station They take possession of all the compartments and they spread their own beddings and other things and tell the passengers who want to get in that those berths are already occupied But this is all bunkum The fact is that they have their agents on the platform and they might arrive and that is what usually happens So this is another great harassment and distress to second and inter class passengers That is the question to be looked into by the Watch and Ward Department I do not know how far they have been able to look into it

1 P M

Now Sir I have travelled from Bombay Central to Delhi four or five times during the year As a Member of this House according to the Circular of the Railway Board, I always try to be punctual in sending my information to the authorities at the Churchgate headquarters to reserve my berth in one of the compartments I must admit that I prefer to travel by second class for my own convenience and comfort as I am not keeping well The air conditioned first class is not suitable for me Moreover, the company in that compartment is not very pleasant Mostly the soldiers come in or some men with rough manners come in and some of the highly posted officers also come in The result is that a person of my position feels more inconvenient and uncomfortable in their company Many other persons must have experienced that when an Englishman comes or a Britisher comes in the compartment he never talks to anybody Perhaps that is their nature Other people are more amenable and

more familiar with the Indian habits, but these English people who are holding high offices think themselves to be quite different from the people of the country The result is that a person of my type cannot find any comforts with them and that is why I prefer to travel by second class But the second class is sometimes so much overcrowded that it becomes just like a third class

Regarding the reservation of the berth, my difficulty begins from the Churchgate headquarters Though I write to the chief clerk in charge of the reservation of berths, what is the result ? The letter is handed over to a girl who looks after these reservations She enters it according to her own fancy and that entry is sent to a man on the platform at the Central Station As has been pointed out by the Honourable Mr Jaffer, bogus names are put outside the compartments and this sort of corruption is going on without being checked by the higher authorities I have brought this to the notice of the Chief Traffic Superintendent also that, though I had written a letter to the chief clerk of reservation, I did not get the berth which I had asked for In fact, I was given a berth in a coach which was very old, the cushions were without springs and the latrines and water closets had no proper supply of water There was no light and the sitting accommodation was also not comfortable This is the difficulty with which a man has to start from the Central Station Of course, I must admit that throughout the journey by the Frontier Mail people travelling by upper classes do not find so much trouble and harassment as the third class passengers As my Honourable friend Mr Jaffer said these poor third class passengers are packed like sardines I will go further and say that they are mercilessly dumped in like animals without any regard for their slightest comfort Latrines are also overcrowded by passengers So much so that womenfolk cannot get access to them Our womenfolk Sir are very bashful and they are not like the Western womenfolk The result is that our women have to undergo lot of discomfort and they have to curb the nature's call What is the result? These women in the long run suffer from all sorts of discomforts and inconveniences later on Of course, these third class passengers try to accommodate themselves But as the Honourable Mrs Swaminadhan has said there is no place to put two legs together So how is it possible for a woman who is travelling with her husband or some other relation to get out of her seat for hours and hours If the journey is short it is all right But if the journey is up to Peshawar or Pindi then it is very trying In order to remove or reduce this congestion, I suggest that at the intervening stations such people should not be given the tickets who are travelling for short distances If these people are made to travel by other trains it will be more comfortable for them and the congestion on the Mail train will be considerably removed

With regard to the shortage of coaches and other bogies many of them are now lying vacant with the military people as the war is over And if the Government of India and the Honourable the Railway Member were to insist upon getting them released, I think the discomfort of the third class passengers will be considerably reduced

So far as my return journey is concerned, I write to the old Delhi station authorities Last time when I returned to Bombay, I had sent a letter to these people that I want to travel by such and such train and on such and such a day and I should get a reserved berth on that day Instead of giving me any assurance that I shall get such accommodation, they said there was no berth available

Mr. President: Order order The Honourable Member's time is over He has taken 15 minutes Will he bring his remarks to a close in half a minute or so because he has been repeating the same arguments? Has he got any new point to place before the House?

Dr P G. Solanki: The difficulty is with old Delhi I would press on the Honourable Member that this kind of corruption must be put a stop to During the last budget session I heard from the Member then in charge that he would

[Dr P G Solanki]

see that corruption was mitigated, but nothing has been done That is my chief grievance and I suggest that the Honourable Member should look into it

Sir, I support the motion

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa Muhammadan) Sir, I will not repeat the points brought forward by the Honourable Mover or the other speakers so far About amenities for passengers I feel that if I wanted to speak in detail even one whole day will not be enough The Railway Member himself must know the conditions of travelling Among the many discomforts that have been mentioned there is one that I will mention particularly as to what happen in my province between Patna and Gaya and between Moghulsarai and Mokameh There is a regular nuisance of chain pulling at every ten or twenty minutes or every hundred or two hundred yards, passengers get down and walk away to their villages as if the Railway trains were a public carrier stopping from door to door The Honourable Member may ask me whether I want him to place a policeman in every compartment That of course is not practicable but what may be done is that as soon as few offenders have been caught the authorities should give deterrent punishment so that the offence may not be repeated by others What happens is that the railway staff gets demoralised and does not feel strong enough to catch these men or start proceeding against them This matter was raised in the Local Advisory Committee in Calcutta nearly one and half year ago and the then General Manager said that he was contacting the Premier of Bihar on this issue I do not know what has been the result of negotiation but things have not improved This is a thing which means great discomfort for the travelling public and also results in the trains being delayed for hours some times

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

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The Assembly re assembled after Lunch at Half Past Two of the Clock, Mr President (the Honourable Mr G V Mavalankar) in the Chair

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Mr Muhammad Nauman Sir I was just speaking on the amenities to passengers

The next point to which I wish to refer is about ticketless travelling in this country During war time this ticketless travel assumed huge proportions I hope the Honourable the Railway Member knows that complaint was made against this evil of ticketless travel from all sides of the House I do not mean to say that ticketless travel is always resorted to by people simply with a view to cheat the railways of its income at least it is not always that passengers are bent on fraudulent intentions On many occasions, this ticketless travel is being forced upon people by circumstances Some Honourable Members have already referred to the difficulties in procuring tickets, particularly third class tickets In some cases even higher class passengers find it difficult to get tickets within a reasonable limit of time I know that sometimes a first class passenger has to wait for 15 or 20 minutes to get his ticket because printed tickets are not available to many stations, and the booking clerk has to refer to the coaching tariff guide to find out the exact mileage and the rate etc , before he could issue on blank form I can not always blame the booking clerk as probably he cannot issue the tickets in less time because of calculation There is a section of Railway Staff which is anxious to encourage ticketless travel because it brings some money into their pockets I know that sometimes the railway staff advise passengers to get into the compartments without tickets promising that the railway fare could be shared between the passengers and the station staff In such a case the passenger does not travel free Money is taken out of the passenger all right but it does not reach the railway coffers but it is mis appropriated by the railway staff This factor should be carefully gone into and ways and means should be devised to check this evil Although we have been pressing on the Railway Department to remedy this year after year, nothing has been

done so far in this direction During war time perhaps this problem was difficult to tackle as they had many other problems to solve Now with a new orientation of policy and with probably a new Government in power, perhaps the Honourable Railway Member would be able to find some ways and means to create a feeling among the railway staff that ticketless travel should be stopped and the railway should get its due and normal income I know this evil cannot be completely eliminated, but at any rate it can be reduced to a minimum limit If Railway staff takes it to mind certainly the travelling staff can reduce this "ticketless travelling" to the very minimum

The next point I wish to mention is about food supply at stations by different contractors I quite realise that the food position generally in the country is not at all happy and procurement by every section has become difficult At the sametime there is no reason why the food supply on railways should have deteriorated in the way it has done The only idea of contractors is to earn as much money as they can There is no other ideal which guides them in this trade From 1938 onwards, we, in this House, have been insisting that catering on all railways should be done departmentally through their own staff Somehow or other we find this has not been done so far Whenever we, Members of this Assembly come to Delhi, we are always surrounded by a number of contractors Many of them even loiter round the Chamber canvassing support from the Members for their claims to be returned as contractors I particularly want to impress on the Railway Member that supply of wholesome food through departmental catering is one of the most important amenities to passengers Mr President you can imagine the fate of passengers who cannot get reasonably wholesome food on their journey For long distance travel, it is not possible for any passenger to equip himself with food No doubt some of them take some food, but it would be impossible in the case of passengers who travel 24 hours 18 hours and sometimes even 72 hours it a stretch to take any such food as would suffice for the entire journe I do not want the Railway to supply the passengers with dainties and luxuries Three or four dishes of whole one simple food would be enough That would satisfy most of us if not all of us (Interruption) What I meant by three or four dishes is that it should include vegetables, meat, bread and butter, Rice and Dall all taken together I did not mean so many varieties This problem of supply of good food and wholesome food at reasonable rates cannot be tackled unless the Railways take up catering departmentally We know that in other countries of the world they have tackled the catering problem successfully by introducing Departmental catering If departmental catering is started I have no doubt it would relieve the passengers from great hardships which they are undergoing at present This arrangement may also bring in additional income to the railways I am not so much concerned here with the earning side of the railways as that the public should be given every comfort possible in the matter of supply of food on the platform and this is not possible so long "contractors are maintained for this purpose With these words I support the motion

Sardar N G Vinchoorkar (Gujrat and Deccan Sardars and Inamdars Landholders) Sir, I rise to support the Cut Motion moved by my Honourable friend Mr Jaffer The discomforts which railway passengers especially third class passengers are subjected to are well known, and far too many So it is difficult to summarise the same As one coming from Bombay mufassil I know what tremendous difficulties passengers have to face in railway journey these days

As Nasik which is my home, is more than five miles from the Railway Station a traveller has to take his chance in a queue to get seat in the motor bus From here his trouble starts When he gets into the station he has again to be in the queue to purchase ticket There is always a rush at the issue of tickets Generally the staff begin issuing tickets rather late, either due to over work or some other reason, hence there is rush Then the passenger has to rush to the platform and it is a job to get accommodation in the train

[Sardar N G Vinchoorkar]

Added to this it is generally the common experience that the trains are very late and the passenger has to take shelter on the open platform which is not protected against sun or rain There is hardly any amenity provided for the passenger, who has to wait for long hours I do not know why in places like Nasik Road the railway authorities cannot arrange to inform the public in Nasik over the phone when the trains are inordinately late I do not mind if the train is late for half an hour or so but when it is late for hours the railway authorities at Nasik Road should inform the public in Nasik City through phone at the City Booking Office Last year, in the form of a question, I raised this question, and I was informed that due to military traffic there was too much of pressure on the railway telephone system at Nasik Road I hope this year or in near future, when the military traffic will most certainly go down and things come to normal it will be possible for the Railway authorities to make arrangements to inform the public through the phone in a place like mine, when it is away from Railway Station, so that the passengers may be saved the bother of having to wait on the platform I really do not know why in mufassil stations, where people have to sit for a long time on the platform the railways cannot think of providing such bare amenities like benches and some sort of a shade under which one can take shelter I do not think that will cost much but it is a matter which if attended to will be a great boon to the average public because they will be saved great hardship

Then, Sir it was a common experience during war days that many of the waiting rooms on the Railway Stations were converted or absorved into offices As it is I do not find that these waiting rooms are being restored I would expect the railway authorities to add to the number of waiting rooms rather than take away the existing waiting rooms

It is a common experience that we have hardly sufficient number of waiting rooms and the grievance is more keen when they are also taken away by the railway authorities I will not repeat about the lack of furniture or absolutely want of any comfort in the waiting rooms because that has been pointed out already by previous speakers One point I would like to emphasise in respect of those places which are far away from the railway stations Why should not the railways think of having a co operative bus service to reach the passengers right to the place itself In view of the coming Rail-Road transport policy I think this question will be looked into more in a spirit of co operative working than competitive working It is high time that railway service should not think that they have attended to the passengers by dropping them at places when they are far away especially from the district places to which they are connected

Lastly I come to a point which is the common experience of many people— I am referring to special amenities by way of running extra trains and such other facilities in the case of big fairs I have particularly in mind the Pandharpur fair which is a very big fair in that part in the province of Bombay In these days some epidemic or food shortage or something results in stopping or discouraging the fair but I do not expect the railways to add to the difficulties by not providing the ordinary travelling facilities I should expect them to be particularly helpful in looking to the comforts of the passengers and to arrange extra trains but experience is otherwise They have to travel even in trains that are used for cattle If we just compare and contrast this with the solicitude for the race going public and running of race specials I think it will be quite sufficient and I need not describe it more But I would wish the Government and particularly the railway department, to treat this as their duty and attend to the comforts and travelling facilities of people who are anxious to attend such big fairs

To summarize I would like a human touch to be given to the administration by the railway officials They need not be very technical and take their

stand on their duties as prescribed by the rules I would like them to consider this part of their duty as a service to humanity The passengers generally do not expect more than ordinary comforts and facilities at the hands of the railway authorities

Rai Bahadur Devendra Mohan Bhattacharyya (Nominated Non Official) With your permission, Sir, I rise to support the cut motion which has been moved by my Honourable friend, Mr Jaffer This is a subject Sir on which one can talk lots but I have decided to be very brief and I shall confine my remarks to the experience which I have had in course of my recent railway travel

It appears to me Sir that amenities of Railway Travel are things of the past, and present circumstances are such that we cannot expect to have them back very soon Recently while I was travelling from Howrah to Delhi I applied for reservation of four first class berths I was allowed only two berths and my other two companions had to sleep on the floor of the compartment That is not all, Sir At night I was roused from sheer exhaustion by way side upper class passengers enquiring if a berth was lying vacant in the compartment Sir this is the condition of travel that falls to the lot of first class passengers As for third class passengers it would suffice if I say that my servant had to stand almost all the way in his compartment from Howrah to Delhi Sir we have been told all these years that passengers amenities could not be attended to as the war was on But I am sorry to say Sir that the conditions of travel are still the same if not worse although the war has ended Overcrowding Sir, seems to be a permanent feature of Railway trains in these days In no other country in the world one can probably find such huddling together of human beings in one compartment This is a state of affairs which no civilized government should tolerate People have suffered for many years from this overcrowding on account of war and there can be no excuse for continuing this condition now because the war ended more than a year ago Now Sir I think the time has come when the railways should do all they can to see that the conditions of travel of all classes improve and improve expeditiously The remedy I believe Sir lies only in increasing the number of coaches and service trains and may I submit to the Honourable Member for Railways that the efficiency of the railway administration should be judged not by the profits at the end of the year but by the amenities they can afford to the travelling public It is very good to hear Sir that the lower class passengers are going to be provided with sleeping accommodation but I am sorry that no final step has yet been taken in this direction and nobody knows when the scheme will materialize But till this scheme is given effect to I request the Honourable Member for Transport to see that arrangements are made to increase the accommodation for all third class passengers and this I think would be a relief to all concerned

Sir I would like to refer to another grievance by which I am actually concerned Kharagpur is a very big railway station on the Bengal Nagpur Railway having a platform which is more than a mile in length and probably the longest platform in the world But I am very sorry to mention that there is no platform shed at Kharagpur and passengers especially women and children suffer terribly in rain and in summer when they have to walk from one end of the platform to another I would therefore take this opportunity to appeal to the Honourable Member for Railways to see if he can arrange for the construction of a platform shed at Kharagpur at an early date

With these words Sir I support this cut motion

Mr Madandhari Singh (Bihar and Orissa Landholders) Sir I rise to support the motion moved by my Honourable friend Mr Jaffer In doing so I would like to place before the House a few facts about the East Indian Railway Company There are some local passenger trains which run very late regularly and they are overcrowded Each and every train runs about two or three

[Mr Madandhari Singh]

hours late and people have to wait at stations where there is no seating arrangement for them At the same time there is no shelter to save from storms and rains This, I think, should be taken up and Government should provide shelters at the stations There are waiting rooms which have got no furniture Bathrooms are so dirty that nobody can dare sit in the waiting rooms This is the position of small stations on the East Indian Railway

Now I would like to say a few words about the O T Railway Before it was the Bengal North Western Railway and it was company owned and its management was bad Government has taken over the management and changed the name into O T R But the changing of the name has not changed its management which is worse than before and now we have begun to say O T R '-Old and Tired Railway' This is found everywhere and it is well known that the O T R never runs regularly It is always late and it is over crowded It is pitiful to see that passengers have to travel on the footboards of coaches Passengers are sometimes beaten by lathis and they are asked to come down from the roofs of the coaches It is rather horrible The passengers do not even get space in the coaches not even on the footboards So they go on the top of the roofs and they are beaten

(Interruptions)

Mr President Order order The Honourable Member will address the Chair

Mr Madandhari Singh If my Honourable friend travels on that railway he will be put to the same difficulty I always travel in first class There is no sitting accommodation in the O T R I have travelled many times I could not get seating accommodation This is the position (Interruptions) The trains are running six or seven hours late and this is the case in every station When it is found that the trains are late and overcrowded, I think the Railway Board should do something to give the passengers all the amenities at railway stations They must have shelter and they must have some place where they can get tea and such things and they must keep furniture in waiting rooms At other stations the bathrooms are never kept clean

With these words I support this motion

Sjt N V Gadgil Mr President it is more than quarter of a century that this Legislative Assembly was inaugurated I tried to be a little historic this morning and I find right from the year 1921 till the year of Our Lord 1946 every year during the Budget Session a cut motion on the grievances of the third class passengers has been consistently moved My only hope is that eighteen months hence when the entire political complexion of this country will change, these grievances at any rate will not project themselves into the new order of things, and I am somewhat strengthened in this belief because only this morning I saw the latest edition of the G I P time table in which the future travel picture is on the cover spacious parlour compartments, very good looking couple sitting there and the bearer offering tea on a fine tray It augurs well for the future But I want to go into the fundamentals of this question, and if possible to make some concrete suggestions to the Honourable Member so that at least for the poor passengers he can give some relief so long as the new order does not come into existence

Mr President you will find that up to 1930, the railway did not care at all for the comforts of the third class passenger It was only when a competitive transport agency came into existence, like motor transport, that railways thought that the time had now come when they must look at least to some extent to the comforts of the third class passenger

Between the years 1930 and 1938, Mr President you will find the railways offering all sorts of amenities like weekend tickets, zonal tickets, concessions for students, for marriage parties and many other things When in 1938 they

found that with all that it was not possible to put a stop to the falling revenues of the railways, they thought of another method *viz*, that of controlling, if not altogether eliminating the system of motor transport With that in view they brought in 1938 the Motor Vehicles Consolidation Bill and I may confess that I was one of those who approved of it in the belief that it would be worked in the spirit in which it was suggested by me Unfortunately after 1939 the war intervened and the worst features of a monopolistic system were evident from 1939 and still they continue

2 P M

About the amenities of the third class passengers, I may say that I do not care so much for waiting rooms, lights, this, that and the other for according to me the central problem is that of overcrowding A reference to the Railway report for the year 1945-46 will show that out of 1044 million passengers, 975 represent the Have nots, the third class passengers If we were to take into consideration how much they contribute to the railway revenues, you will find that out of Rs 86,74,00,000 revenue from passenger traffic the third class passengers contribute Rs 66,79,00,000 One naturally asks Do they get proportionate amenities? The answer, I am sure, will be No I am not pleading, as I have said, for spacious waiting rooms or for loudspeakers or lounges All those things are reserved for the 'New Poor like my Honourable friend Mr Jaffer and his Company I am pleading for the old poor I only want enough room to sit in the III class when I pay for it How much on an average a third class passenger travels will be also clear from the report On an average a third class passenger travels only 37 06 miles Therefore the problem is not so difficult as it appears The problem of removing overcrowding is possible of solution

The other day the Railway Member said in his speech that in any scheme of co ordination there must be some division of traffic, one sphere for the motor transport system and another sphere reserved for the railways and if I understood him rightly, he wanted to reserve short distance traffic in passengers for the motor transport and long distance for the railways and wherever they came into conflict or competition there should be some sort of co-ordination or a sort of joint control so as to see that there is no competition with the result that both systems suffer Now I would suggest to him that he should not insist on a scheme of rigid co-ordination, although it does not mean in the initial stages unification, but ultimately if it is to succeed it can only succeed when it ends in consolidation Anyway whatever may be his views or whatever may be my views about the long term solution of this problem in the coming two or three years I would ask him just to investigate the question whether it would not be better to liberalise the attitude of the Railway Department towards passenger traffic being carried by Motor Transport In certain areas it may be reserved for the motor transport system After all it will cater only for short distances and that will go a long way in removing overcrowding even in long distance passenger traffic carried by the railways

I gathered from the speech of the Honourable Member and also from the speech of the Chief Commissioner for Railways in the other House that already 80 per cent of the coaches that were with the Military Department have been now returned to the Railway management Even if they are successful in getting the remaining 20 per cent though they have budgeted for the return of ten per cent I think they will not be able to cope with the rising traffic Last year the passengers carried were 926 millions and this year as I stated they are 1044 millions As I said the other day while speaking during general discussion that as far as I am able to see, because of the concentration of the population in big cities, in industrial centres, there is bound to be more and more travel There is already scarcity of housing in most of the cities and that is one reason for increase in suburban traffic Secondly, those who have perforce to live in big cities have often to go back to their villages where their people live In other words travel is bound to be more and more and if the Railway Department continues to advertise (I do not say that they want to

[Sjt N V Gadgil]

defraud the people, they do it in all honesty), if they want to continue th spirit in advertising their services I have no doubt that there will be mor and more passengers coming in Twenty years ago people avoided trave ling but now facilities, with a wider mental outlook and wit new education according to which no man's education is complete unles it is supplemented by some sort of travel, at least in his own country, if no abroad there is bound to be great upsurge All these factors go to show th passenger traffic will increase still further and if that is so some provision ought to be made to cope with that certain increase in the traffic

So far as the long term solution is concerned, it must depend upon the manu facture of coaches whether of the austerity type or any other type But wha I am suggesting is that at least in the coming five years the Honourable Membe should have a liberal attitude towards Motor Transport, I find thousands of moto lorries available as a result of the cessation of war and demobilisation I am tempted to ask why should not the Honourable Member utilise them and bring relief to passengers He can start national or state concerns The Honourabl Member can requisition all those lorries and motor buses which are lying idl in the various Military depots and if I may point out to him, only a few miles from the centre of Poona, he will find at least 10 000 motor cars facing th sun and now waiting for some drivers to take them out He can requisition them and relieve the congestion and overcrowding on the railways Tha short term that I put before the Honourable Member I have to say

Pundit Thakur Das Bhargava (Ambala Division Non Muhammadan) Sir we have been pleased to hear all these hours questions like overcrowding an other disabilities of the third class passengers We have also heard speeche about amenities like electric fans and sleeping accommodation etc for third class passengers These hopes may be realised soon, or they may be mere dreams I am not sure What I want to submit for your consideration is that the Railwa Administration should at least be pleased to restore the amenities which th people enjoyed before the war I come from a constituency which has not go enough kutcha roads and enough pucca roads Some of the villages are situate thirty or forty miles from the railway stations I want to place some of th disabilities from which my constituency is suffering as a result of previous amen ties being taken away during the war and I beg of the Railway Member to kindl consider these cases sympathetically and at least restore the old amenities if he is unabl to give them new ones

Sir the Rohtak Panipat Railway was dismantled during the war and it ha not been renovated I understand it is somewhere fifteenth in the list of priorities and I do not know when it is going to be restored The Gohana Mandi has gone on prosperity and the people round about are suffering and expecting that it wi be taken up soon As regards stations on the G I P and B B & C I lines i my constituency may I bring to the attention of the Honourable Member that th cases of Ballabhgarh Hodal and Taraori in Karnal district should be considere by him At least twenty five applications have been given by the people The have approached the advisory committees, the Railway Member and the Railwa Board and they approached me also And I sent the question about stoppage trains which you were rightly pleased to disallow From a long time they hav gone from door to door and their application has not been heard I take th opportunity of bringing to the notice of the Honourable the Railway Member th to Ballabhgarh which is not more than 24 miles from Delhi, in prewar days si trains used to go from Delhi Now only one train goes from Delhi to Ballabhgar and that too at night time It starts at about 11 45 P M and reaches there a 1 A M This is the only train which stops at Ballabhgarh and Hodal while goi to Delhi and similarly one train comes back to Delhi Ballabhgarh has got

mandi, it has got a *tehsil* headquarters People of Hodal and Ballabhgarh are habituated to this comfort from a very long time Previously mails and expresses used to stop at these stations Now, if anyone has to come to Ballabhgarh he has to reach there at 1 A M Surely this is not the time when a businessman would like to go to the *mandi* from the railway station which is at a distance fairly off He has thus to run the risk of being looted on the way The villages round about the people who have to travel are put to great trouble They belong to a tract which was previously attached to Delhi and on account of business relations they have to come to Delhi everyday But now they are in great trouble The other service which they enjoyed was the motor service Now in motor service also there is overcrowding On account of the overcrowding in the trains and on account of the non stoppage of trains on these stations there is great overcrowding in the motor service also To travel by motor lorries is not less irksome or terrible than to do so in the railways I therefore beg to submit that at least on these three stations, Ballabhgarh Hodal and Tarori in the Karnal District more than one railway trains should be made to stop It is the story of the man who finds water water everywhere but not a drop to drink So many trains pass on the G I P and the B B & C I lines—express trains mail trains and passenger trains but only one stops at Ballabhgarh I would therefore submit for the consideration of the Honourable the Railway Member that he may be pleased to order that at least on these three stations more than one train should stop and there may be a day connection train between Delhi and Ballabhgarh and Delhi and Hodal

As regards the B B & C I Railway I put a question on the 11th of November 1946 to the Honourable the Railway Member and he was pleased to reply in respect of the Haryana Express which served Delhi and Hissar The question was like this

Will the Honourable the Railway Member please state if it is a fact that previously a person travelling by the Haryana Express from Hissar to Delhi and back used to spend Rs 2 4 0 and about five hours in time whereas at present double the money and time are spent to perform the said journey"?

The reply was

'Yes, the single fare between Delhi and Hissar by the Haryana Express which carried only third class passengers was Rs 1 2 0 and the return fare Rs 2 4 0 The scheduled time however from Delhi to Hissar was 6 hours and 10 minutes and from Hissar to Delhi 6 hours and 1 minute The present third class single fare is Rs 2 11 0

—and now one anna to the rupee is to be added—

The current scheduled timings from Delhi to Hissar are 8 hours and 25 minutes by one train 9 hours and 22 minutes by another

It appears that now the time taken is double and single fare is more than the double fare which we used to pay before On account of the competition with the motor transport (because in the motor transport a man coming from Hissar to Delhi a distance of 102 miles used to pay from As 8 to Re 1 for the whole journey from Hissar to Delhi) this Haryana Express was introduced to meet the competition with the motor traffic and Rs 1 2 0 was the fare fixed Now, Sir travel by motor has also become very expensive now Instead of 8 annas to Re 1 it is now something like Rs 3 8 0 The result is that we have to pay more to the motor lorry more to the railway and the previous amenities of paying less and travelling in comfort are gone All people used to travel in the third class previously in this train which had no other class It was a democratic train I should say We have been deprived of that amenity This is not all Previously there were direct trains from Delhi to Hissar as well as from Lahore to Hissar It used to take about eight hours from Lahore to Hissar Now we have to spend seventeen hours if we want to go that distance Similarly, from Delhi to Hissar it used to take five or six hours, and now it takes about ten hours The question

[Pundit Thakur Das Bhargava]

whether new amenities are going to be offered to us may arise subsequently, but the claims of those who were previously provided with these amenities which have now been taken away from them should be preferred and a certain priority should be given to them. I therefore submit that in so far as the restoration of these amenities is concerned those persons who enjoyed them previously have got a prior claim and at least those amenities should be restored.

As regards other matters which have been submitted for consideration before you I have to add my voice in addition to other things, to one aspect of the case in special. Even today I was travelling by a tram which came from Ferozepore to Delhi. At Kishenganj station without any reason the tram stopped for more than half an hour whereas I do not think the usual stoppage is for more than ten minutes. I thought I would reach Delhi in time. But it so happened that for about three quarters of an hour the tram stopped there. It is not realized by the railway administration that the delay of trains is a serious handicap to those who have some work at their destinations. If a train is late by one hour, there may be 800 or 1,000 passengers in the train and the railway administration are responsible for the wastage of one hour of the life of so many people. That is a very serious matter. In pre-war days when trains were not so late as they are now the railway administration used to scrutinise the delays and the reason why a train was late. It was unusual previously for a train to come late. But now because many trains are late nobody cares. I would submit that this is a very serious circumstance which requires the serious attention of the authorities. After all life is made of time and if they do not care for the time of the general public it really means that they do not care how the public is utilising its time. I should say that this is one of the matters which the Railway administration should give serious attention to.

Several Honourable Members: The question may now be put.

Mr President: Then I call upon the Transport Member to reply.

The Honourable Dr John Matthai (Member for Railways and Transport): Sir, I have listened with great care and interest to this discussion on a question which I know is very dear to the heart of the House. As I said in the course of the speech that I made on the general debate last week I think that the extent to which the House interests itself in the welfare of our third class passengers reflects if I may say so great credit on the House. I know the difficulties of the railway administrations in overcoming the difficulties of third class travel to the extent that the House would like. The House is as well aware of these difficulties as the administrations are. All that I can say, in reply to the suggestions and appeals which have been made to me today, is that the question of improving the amenities and the comforts of third class passengers will be one of my principal cares during my term of office. I do not want to make promises, because the Honourable the Mover reminded me at the very outset that it has been the habit of Railway Members in the past to make promises and not to make any effort to keep them. I therefore make no promises. All that I want to say is that I am going to give my very best thought and attention to this problem. (*An Honourable Member*: That is a great promise.) But what exactly can be accomplished during the coming year is something which I dare not forecast today. When I listened to the speeches which have been made in the course of the debate I felt confirmed in my own impressions regarding the real trouble with regard to third class travel these days. The real trouble, as I have said more than once, is overcrowding. Until you have been able to make a perceptible impression upon that problem, you will have done very little. If you examine the figures with regard to the number of passengers carried now and compare them with corresponding figures in the years before the war you will find that there has been an increase of almost exactly a hundred per cent. As against that, on account of various difficulties beyond our control, the extent to which we have been able to increase the number of coaching vehicles in service today, as

compared with the year before the war, is hardly 10 to 15 per cent Compare the two figures and you straightaway have a picture in statistical terms of the extent of overcrowding that prevails today

I have been trying to understand this problem as a purely economic problem because after all at bottom it is an economic problem You cannot dissociate it from the present price structure of the country The position is that you have an enormous amount of additional money in circulation in the country, as an enormous addition to the aggregate purchasing power of the country This increase has led to an increase in the purchasing power particularly of the working classes and the profit making class at the top By reason of allowances such as dearness allowance and increases in pay, the working class -I do not say that they have got all that they deserve to—have been able to increase their actual purchasing power and so have people in the highest grades It is in between that there has been no perceptible increase in purchasing power If you assume that there is more money in the hands of people today and at the same time that there are few essential things on which they can spend that additional money—you cannot buy more food you cannot buy more cloth— and so there it is a natural thing to suggest that so long as railway travel is not rationed and the cost of railway travel has hardly gone up since the war it is one of the things on which the additional purchasing power would be spent I am not suggesting that railway travel should be curtailed on that account But I want the House to appreciate, while the Railway Administrations are most anxious to do what they can to relieve the situation, the dimensions of the problem that we are up against When I take a broad view of the situation from a purely economic point of view I begin to think that there are two directions in which this purchasing power is being diverted One is railway travel the cost of which has not gone up and the other is leisure In one direction you have overcrowding on the railways and in the other there is the extent to which absenteeism has gone up I am not minimising the responsibility which this places on the shoulders of the Railway Administrations, but only explaining the problem

The question is what is it that we can do in order to relieve the overcrowding that now exists Obviously one way is to provide more coaches Enough has been said about the coaches which are on loan to the Defence Department The House also knows that we are endeavouring to build more coaches in our workshops and also with the help of outside agencies All that can be done is being done I admit that in the space of a year it is not going to make any perceptible difference to the difficulties of the situation But whatever can be done under the limiting conditions that we are up against will be done which is as far as I can carry the matter today

There is one thing which I would like the House to remember If you are at all familiar with the conditions of railway travel in other countries today you will not be quite so critical about the Indian railways as you are Conditions of railway travel and railway traffic generally are today very difficult in other countries also That ought to enable the House to appreciate my difficulties and the difficulties of my department

Sir a great deal has been said on the provision that we have made for amenities for our lowest class passengers The expenditure out of the betterment fund which we have provided for in the budget year is roundabout a crore of rupees That represents the provision of amenities which will involve capital expenditure I have looked into this question again since the general discussion took place last week and I feel that considering the view that the House as a whole takes regarding the provision of amenities for third class passengers we ought to increase the provision we have made in the budget I propose to go into that question I might say provisionally that it is my idea that during the coming year we should try, if possible, to spend at least a crore more My object in saying that we should try to do that is that, as Honourable Members are aware the estimates of expenditure are taken in hand a few months before the commencement of the budget year If we decide now to provide an additional crore of rupees for expenditure for

[Dr John Matthai]

this purpose, it will take us a little time before the necessary estimates can be drawn up Also before you can be certain that within the budget year you can complete the works, it is necessary to assure yourself that the requisite materials could be secured, which is not by any means certain Subject to these conditions, I propose to take up with the Railway Department the question of additional provision for amenities for third class passengers

I would like the House to realise what it is in the way of amenities that we can provide by capital expenditure of this kind We can provide more booking office facilities better arrangements for drinking water, for waiting facilities, for lighting and so on They are all important things and we all want to do a great deal more in these directions than we have been able to do so far But there is one direction in which, I think, we can and ought to make progress in the near future Apart from overcrowding, I feel from listening to the speeches of Honourable Members that one of the big problems we have to handle in regard to third class passenger traffic is to provide for more personal assistance in guiding and directing third class passengers It seems to me that more personal attention might make a big difference to the situation That is a question to which I attach quite much importance Mrs Swaminadhan raised very rightly the position of women third class passengers and I thought from listening to her that she had some idea of this kind at the back of her mind Particularly with regard to women passengers, I think provision for guides is of great importance

The only other thing I can think of at present, which, of course, is not likely to have immediate consequences, is the provision of amenities on the trains We have had lot of reference made to the new type of coaches It will take a little time before we can build more coaches of new designs But there is something which we can do fairly soon, and that is that when we build coaches on the existing designs we should see to it that as many amenities as possible are introduced into these coaches

Sir, a great many specific matters have been raised in the course of the discussion, which it is not possible for me to cover, but I should like to refer to some of them The Honourable Mover referred again, to the question of the betterment fund He seemed to suggest that the purpose of the betterment fund was not particularly important I am a believer in the betterment fund, as I said last week I take the view that the purposes for which the betterment fund exists are essential purposes in any big industrial undertaking If they are essential purposes and have to be met then from a purely financial point of view it is a prudent and wise thing that in respect of them, you do not depend on casual doles from revenue from year to year but have a fund especially created and earmarked for that purpose

My Honourable friend Mr Jaffer referred to the question of constituting small local Committees for advising the railways regarding what is to be done for third class passenger traffic I am not much of a believer in Committees I hope I am still a democrat at heart But there is a point beyond which I cannot help thinking from a pretty long experience that Committees can be overdone As far as the question of conditions of railway travel is concerned, we have the local Advisory Committees, we have Honourable Members in this House who can tell us through questions and speeches what it is that is needed We have also the Central Advisory Council for Railways and we have the Standing Finance Committee for Railways, and I do not think you are going to achieve very much by constituting more Committees Committees sometimes have a way of hindering work So, this is a suggestion, if my Honourable friend will forgive my saying so, I do not propose to take seriously

Mr. Muhammad Nauman: Local Advisory Committees do not meet

Mr. Ahmed E. H. Jaffer: The Standing Finance Committee meets once a month

The Honourable Dr. John Matthai: The Standing Finance Committee meets often enough My Honourable friend the Deputy President has made himself felt in many ways through the Standing Finance Committee

Mr Muhammad Nauman: What about the Local Advisory Committees?

The Honourable Dr John Matthai They meet four sometimes six times a year Personally, I think, that if what we want is to expedite things being done, it is not going to help if we have to depend on too many Committees

The old question of rail-road transport was again raised and the point that has been made by my Honourable friend Mr Jaffer and later by Mr Gadgil is that we are out to kill road transport We are going to do nothing of the kind If Honourable Members will look into the schemes we are considering, they will find that railways are going to play on the whole a humble and subordinate part in this arrangement If it is to be tripartite arrangement of the kind that Government has suggested, then the provincial governments and the road operators and the railways have all to be in it jointly The railways are only one of the three parties involved The provinces would have a predominant interest On the other hand, if road transport is to be provincialised, then the railways will have an interest of approximately 20 to 25 per cent and the provinces, I take it, would be more interested in road transport because rail transport is the business of the Central Government You will thus see that under these arrangements that we are contemplating there is no chance of road transport being destroyed The only point is that we can secure better co ordination What I mean by co-ordination is, to avoid wasteful competition What wasteful competition in the last resort implies is to charge uneconomical prices Once you start charging uneconomical prices, there will be deterioration in the quality of service you offer There would also be deterioration in the value of your fixed assets Ultimately, therefore, both concerns will land themselves in serious trouble If the railways are given a *locus standi*, which is all that their small interest would mean What these arrangements will do is to place before the provincial authorities the importance of co-ordination between the two forms of transport There is not the slightest danger of railways being in a position to monopolise traffic

My Honourable friend Mr Jaffer asked me what happened to those orders for bulbs that we placed last year I understand from my Department that about 60 per cent of the orders have been delivered so far

Mr. Ahmed E H. Jaffer: Where have they gone?

The Honourable Dr. John Matthai: They are coming

Then, Sir, my Honourable friend Shrimati Ammu Swaminadhan raised the question of catering That is a long standing question, the problem being whether we should do it through contractors or by ourselves The House probably knows that railways themselves are divided on this question It is difficult to come to a conclusion What I have decided to do is to have the whole matter placed before the Central Advisory Council for Railways at its meeting early next month and also have it discussed at the next conference of General Managers which is taking place early in April There is a good deal to be said on both sides But if there is any advantage to be gained in the way of improvement of the food supplied by the railways taking over this work, then we should be prepared to consider it I think the experience of railways so far has not been decisive and I am unable to come to a conclusion on the evidence I have received so far

My Honourable friend Mr Lawson asked me about over-age vehicles, and what is happening to them We propose to use them as long as we can while the existing overcrowding lasts, and if we find they are unable to do their job, we propose to have them repaired and put in order as far as the capacity of our workshops would permit

Mr. Ahmed E. H. Jaffer: If they break due to overcrowding, what happens?

The Honourable Dr. John Matthai: Mr Nauman raised the question of

[Dr John Matthai]

ticketless travelling That is still a serious problem and with the increase in overcrowding that problem is not any less grave He is perfectly right in drawing attention to it because both in the public interest and in the interest of railways this is a matter which has to be tackled seriously I have no information as to the extent to which ticketless travel has gone down or up since the question was last examined

Sjt. N. V. Gadgil. Is any census taken?

The Honourable Dr. John Matthai: I should not make a categorical statement, but my feeling is that the problem is now more serious than before and has got to be looked into both from the point of view of railways and of the public

There has been a good deal of reference to the question of restoring dismantled lines and opening new lines These references have been made by Honourable Members from the point of view of their respective interests The difficulty about questions of this kind being raised on the floor of the House is that we are apt to forget that they have to be considered from a comprehensive national point of view We have under consideration today the construction of about 5,000 miles of new lines, and we have under survey the restoration of about 400 miles of dismantled lines Both these have to be examined not from the point of view of particular interests which are voiced on the floor of the House but against the background of the country's transport interest as a whole I am not therefore in a position to give any reply to the specific suggestions which have been made

Mr Ahmed E. H. Jaffer: In view of the very sympathetic attitude taken by the Honourable Member towards the grievances of third class passengers, I beg leave to withdraw my motion

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

Shortage of Wagons

Mr Muhammad Nauman: Sir, I move

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

Sir, I would briefly refer to the figures of the number of wagons given by the Honourable Railway Member this year and also the figures given by Sir Edward Benthall, last year Last year, Sir Edward Benthall said that the railways will have nearly 239,000 wagons, whereas the Honourable Dr John Matthai says now that his estimate is 1,68,000 wagons *plus* 56 500, total 2,24,500, leaving a deficit of 14,500 wagons Sir Edward Benthall said that at the beginning of the war in 1939, the railways had 1,93,850 wagons to begin with, whereas the Honourable Dr John Matthai says the railways then had 1,40,000 *plus* 51,350, totalling 1,91-350, thus leaving a deficit of 1 500 wagons How this discrepancy arose will have to be explained by the Railway Member with the advice of his experts so that we might know where the mistake lies The two Railway Members have been quoting two different figures, which we cannot understand Sir Edward Benthall also said last year in his budget speech that on the whole the stock of wagons and engines on the railways would be adequate for current purposes, but we have noticed that industry and trade has suffered very badly Now you will find if you examine the mileage of each wagon that as compared to other parts of the world these wagons have been put to much less use,—that appears on pages 141-142 of this report That is one factor to which I will draw the attention of the Honourable Member This means that the wagons that we have were not made full use of—the reasons for that we do not know There has been accumulation of wagons in yards for want of movement arrangements and this has never been cared for I know that the E I R in 1944 and 1945 made some efforts in this connection and organised a Chasing Wagons Department, but that could not realise the

object as response by the authorities who were expected to keep a watch over the so-called chasing department was very unsatisfactory If the chasing inspector sent some reports they were not acted upon and more time was perhaps taken in moving these reports from one file to another than it would take to move the wagon from Calcutta to a distance of 300 miles Red-tapism which prevailed before in the railway administration has perhaps become worse now Under company management the railway officials were anxious to make increased earnings and the movement of wagons was arranged on that programme, now under State management the officers do not care whether it brings profits or not

Now, Sir, you will notice that trade and industry has suffered most by this shortage as well as red-tapism in the movement of these wagons I will refer to the peculiar position in the movement of certain commodities For instance, last year the fruit merchants of Calcutta told me that they were not getting wagons for movement of mangoes which they were importing from Madras for despatch to Delhi or Lahore whereas mangoes from Madras to Calcutta were moving freely from Santragachi station only at 2 miles from Calcutta on the B N Railway, it was being despatched to Delhi and Lahore, but our E I R. would not move them I contacted the Priority Officer, but he took no notice Then I took it up with the General Manager and the Chief Operating Superintendent of the E I R and could convince them after two weeks pleading In the meantime damage was done and for lack of movement the merchants lost thousands of rupees Again as President of the Skin and Hide Merchants' Association of India, my members wrote to me from Calcutta, Cawnpore and Agra to say that they had immense difficulty in the movement of raw hide from different stations to the Central Market of Calcutta The position was very acute on the O & T Railway I wrote to O & T Railway on the 28th January 1946 and you will be surprised to know that the reply came on the 10th January 1947 and here is the letter in my hand It took them one year to inform me about the arrangements for the movement of wagons for hide and skins The B N R and other railways have also taken six months and more to reply to letters, and these are stereotyped statements about priority No 3 and No 4, etc , and the necessity for the movement of food, and one excuse or the other for restricting movement of hides and skins I have also another letter from merchants in Delhi who wanted to book their stock from Bombay to Delhi but they would not be given a wagon But as soon as they offered to pay bribes there were fifty wagons at their disposal and not one The only thing was that Bombay did not book them to Delhi because it was a restricted station but booked for Shahdara And if you care to look into the records of the B B and C I and N W Railways you will notice that these wagons and many more of other merchandise were actually detained at Delhi and the goods were allowed to be unloaded at Delhi after some payment on this and although they were booked to Shahdara Then there is the case of another client who bought 18,800 pairs of shoes from the Disposals Department at Bombay and the Disposal Department gave instructions that these should be booked to Delhi, but in spite of this the merchant could not get a booking to Delhi but to Shahdara, after paying the usual bribe to authorities in Bombay

What I say is that wagon movement has been perhaps monopolised by a few officers everywhere so that they may give them to the highest bidders I am sorry to have to make this blunt statement, but I have so many cases in my possession that I think that this corruption is assuming unusually large proportion I discussed this with certain heads of a certain administration and they know how things have been going on This priority system they think has only given an opportunity to different departments to delay the movement of wagons and indulge in corruption of all kinds If the Railway Board calls for reports about this you will find that hundreds and thousands of wagons are lying in the yards without being made use of An officer told me about eight

[Mr Muhammad Nauman]

or ten months ago, that sometimes a bottleneck position is created so that certain wagons could not be brought out of the yard unless certain other goods could be cleared out Now, Sir, my purpose in moving this cut is to suggest an increase in the number of wagons because with the development of industries on export trade in the country the movement of goods will be on a much larger scale than what has been in the past and for that the number at present contemplated of wagons will not be enough Again, whatever resources we have and whatever number of wagons we possess, we have as yet no scheme for the proper use of these wagons and for regularity of "movement" I could cite many more cases but I have not the time here If the Honourable Member cares to discuss with me I can show how the traders and industrialists have been placed in a very sad position Only the day before yesterday I got a telegram from a retired I C S in Bihar who is a member of the Legislative Assembly Mr Syed Amin Ahmed to say that 12 thousand tussore weavers of Bhagalpur are suffering because of want of wagons for the transport of tussore cocoons from Chaibassa Again at a time when shortage of cloth is so acute in India, the shortage of transport for this and many other such essential things is mainly due to mismanagement in the movement of wagons This morning in reply to a question the Honourable the Member for Industries and Supplies said that the shortage of coal was more due to shortage of wagons than coal itself It is absolutely true In Patna about a dozen persons got permits for coal for preparing bricks and they were not provided with wagons and hence it was not possible to move the whole quantity, and so the permit had to be renewed for half the quantity Wagons were not provided because no money was offered as a bribe, if someone had gone with money he could have got twice the number of wagons required

I have many more complaints which I have received from many parts of the country Here it is from Bombay from a firm which deals in soda powder He cannot get priority for wagons for bringing soda powder from Calcutta I have received letters in this connection from the Muslim Chamber of Commerce and other organisations saying that great hardship is being felt by industrialists and traders and particularly the hide and skins merchants and tanners because they cannot get wagons There are certain commodities which are of a perishable nature and raw hides and skins is of that class and even in respect of those things the railway administration does not take any special care to provide timely "movements"

4 PM

[At this stage Mr President vacated the Chair, which was then occupied by Mr Deputy President (Khan Mohammad Yamin Khan)]

I would like to impress upon the Honourable Member that the number of wagons that we have got in the country are not sufficient for our purpose and we have got to increase the number by at least 50 per cent, but the more important thing is that whatever number we have the same should be used in an organised manner and in the best interest of the country and it should not be mismanaged as it has been done during the last five or six years I hope the present Honourable Member will take personal interest in this matter and try to relieve the situation With these few words, Sir, I move

Mr. Deputy President: Cut motion moved

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

Shri D P Karmarkar (Bombay Southern Division Non-Muhammadan Rural) I rise to support the cut motion The motion refers to shortage of wagons The shortage of wagons as is obvious, may be a natural shortage, and when it appears that there is a shortage of wagons arising out of the fact that the transport of goods has increased enormously on account of the exigencies of the war, it is natural to expect that the railway administration will try to make up for whatever is wanted in respect of the number of wagons as early as

possible But I shall deal in the course of a few observations that I propose to make, not with this natural shortage of wagons, but with what I might term as the 'artificial' shortage of wagons due to the improper conduct of subordinate authorities This question arose in my mind for the first time during last year when a local mercantile firm brought this to my notice I happen to come from the southern part of the Bombay Province and from my own place—Dharwar—it was once represented to me that 12 wagons were allowed to move back from Dharwar though on that day goods were offered for carriage The reason was very obvious . The parties concerned, so it was alleged, did not do the essential things which are necessary The second time this question came to my notice was when we had a shortage of *jowar* in our district It was so arranged between Dharwar and Bijapur that Bijapur would supply *jowar* to Dharwar and Dharwar would in return supply rice to Bijapur For two months the *jowar* was not forthcoming When I enquired from the district authorities as to why the *jowar* was not forthcoming, I was told that proper arrangements were not made by the authorities concerned at Hubly Even though *jowar* and rice are considered an 'essential commodity', still wagons were not supplied in time Recently with regard to the transport of *gur* from the central portion of the Bombay Province to the southern part of the province, this shortage of wagons again came in the way, and yet it was artificial shortage Then, again, in the constituency from which I have the privilege to come, there is a very serious bottleneck at a place named Ghorpuri There arose an anxious time with regard to the supply of cloth from the Bombay mills to the Southern Part of the Bombay Province A very responsible body of cloth merchants at Belgaum sent up a representation saying that for two months after the order was registered at Bombay cloth could not be moved from Bombay to Belgaum—that distance covers two railways G I P and M S M —and there was a rule laid down by the Textile Controller that if cloth allotted to a particular part of the province did not move within three months of the issue of the permit, it could not be moved afterwards So the anomalous situation was that on account of want of proper transport, cloth could not be moved from Bombay within 3 months of the date prescribed and if cloth did not move from Bombay within 3 months, then according to the Controller of Textiles order that cloth could never be moved That was the situation in which my part of the Bombay province—the Southern part—was placed Under such circumstances unless the Railway Administration sees to it that essential commodities like food and cloth are given priority and that priority is enforced people are put to great hardships Other things will come next but essentials will have to take the proper place of essentials and have to be given the first priority, and it should be the particular care of the Railway Administration to see to it that whatever the complaints may be with regard to other things of less importance, there should be no complaints whatever with regard to 'essential' commodities With a view to minimize such complaints and to render relief where such relief is absolutely necessary I should suggest that a small tolerable and a least costly machinery be set up by means of which there should be somebody belonging to the Railway Administration whose business it will be to come in particular touch with the mercantile community and other consumers in order to understand the difficulties of particular areas at particular times If some such liaison arrangement is made, then I should think that the persons concerned would feel that there is somebody to report about the artificial shortage and this would be helpful If such a machinery is set up I should think the hardship and difficulties felt at different times and different areas would be minimised

Sardar Sampuran Singh (West Punjab Sikh) The shortage of wagons is really a very serious question at this time There is a great famine of fodder practically all over Northern India I do not know about the conditions of southern portions of India at this time We know that wheat *bhusa* is selling at Rs 3 in certain parts of Ferozepur District, only 50 miles in Lahore it is selling at Rs 9

[Sardar Sampuran Singh]

Some of the very original arguments advanced today by the Honourable Member for Transport especially regarding overcrowding of passenger trains, were very effective But I am afraid those arguments will not apply so far as the transport of such essential commodities by these wagons is concerned. Rationing of travelling may be possible but rationing of transport for getting food commodities both for human beings and animals is impossible because unless we supply them sufficient food there will not be only starvation but death in the cattle and amongst human beings which is bound to create a situation extremely bad because if cattle are less in number or bad in condition it will affect the production of foodgrains very badly I know it will take some time to supply a sufficient number of wagons But there are two things which can be done immediatley They are these Preference should be given to fodder and foodgrain and station authorities should be alert and always ready to help the people for transporting such commodities Secondly that as it has been alleged in this House today several times that there are several wagons available but they are not used on account of the negligence of the railway authorities I think that lethargy or indifference must be shaken off and such wagons wherever they are must be made available for immediate use for transporting such commodities

With these few words I support this motion very strongly

The Honourable Dr John Matthai The Honourable Mover was right in raising this question and bringing it to the notice of the House I am aware of the seriousness of the present position regarding wagons I should perhaps begin by explaining that there are certain circumstances which render this problem difficult of solution immediately The essential point to remember is that while there is a relatively small increase in the number of wagons in service today as compared with the number before the war there is a greater volume of traffic we have to handle But the really important point and I think the Honourable the Mover had that in mind himself is this Although we have now more wagons in service than before the war there are various factors that make it difficult to put them into effective service I think the Honourable the Mover was inclined to say that the fact that the fullest use was not made of these wagons was due to negligence on the part of the staff On the other side it is necessary to remember there are special circumstances these days which have a direct bearing on this question Take for example this question of transporting imported foodgrains What that means is that large numbers of wagons have to be concentrated in port areas in order to convey imported foodgrains into the interior of the country It is a circumstance which has had a considerable influence in hampering goods traffic There is another point also that has to be remembered As the Honourable Mover himself must have seen from the figures I gave in my Budget speech that a third of our locomotives are over age which means the locomotives do not give the service that they did before That also has had a good deal of bearing on the pace at which goods have been moved There is another thing to remember at the present time We are going through the busiest time of the year from the point of view of internal movement of trade The House knows this is the period when the movements of goods are at their peak That also has had an effect on the extent to which we are able to transport goods Then as a last factor I would mention that the labour situation and civil disorders have also affected goods traffic I am not suggesting that because it is possible to explain why wagons are not rendering the best use they can that we should sit still and not do all that we can to improve the transport position

The Honourable the Mover and also my Honourable friend Mr Karmarkar referred to the question of priority in the matter of movement of goods My Honourable friend Mr Nauman seems to think that the fact that there is control over movement of goods by rail probably has accounted for the increased corruption which he has noticed among the railway staff That is to say the

railway staff has more power put into their hands and that power is being exercised in a way not altogether in the public interest That is a complaint which arises with regard to every form of control As the Honourable Member knows we are having this whole question of priority under examination There is a Bill I introduced sometime ago in this House for relaxing the control we exercise now over railway priorities When that matter came up before the Select Committee—and the report of the Select Committee is already before the House—they felt that the time had not yet come to remove control If you are going to have control then some people whose goods are set aside in favour of others would raise complaints, and these complaints would generally take the form of allegations regarding the railway staff operating the control Well, Sir, all I can say at the moment is that I see no immediate possibility of rectifying the situation to any substantial extent But this is a problem which we ought to take into consideration as seriously as possible I will take also an early opportunity of discussing with the Honourable Member the particular cases that he wanted to bring to my notice, and I should probably be able in that way to get a clearer idea of what he wants me to consider

Mr Muhammad Nauman: Sir, in view of the reply given by the Honourable the Railway Member I beg to withdraw my motion

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

Mr. Siddiq Ali Khan (Central Provinces and Berar Muhammadan): Sir, may I request you to allow Mr Killedar to move his cut motion, after which the other motion can be taken

Disbursement of Salary through private Agency on Payment of Commission

Mr. Mohammad M. Killedar (Bombay Northern Division Muhammadan Rural) Sir, I beg to move

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

Sir, you are aware that on two railways the B B & C I and N W. Railways payment of salaries to the staff is made by outside agencies on payment of a commission This is really surprising, when the railway can manage every other thing themselves and the other departments of the Government have their own arrangement I do not understand why the payment of salaries to the staff of these two railways cannot be made departmentally and outside persons are given commissions to do the work and extra expenses are incurred on this account From the reports of the Standing Finance Committee I find that the excuse made before the Committee was that it was risky nowa-days to send moneys for payment of salaries to different stations and therefore this system should be continued for sometime I do not understand how this plea can be put forth when every day we see thousands of rupees are sent from smaller places to the central offices and cash from all stations are brought into the central offices and no incidents of any kind have occurred, which would suggest the taking of such precautions I do not see any reason why this system should not be discontinued and the commission system abolished entirely Last year the Railway Member gave the assurance to this House that this matter will be considered and that they would see that in future departmental arrangements are made for paying salaries I hope the Railway Member will consider this question and do the needful as soon as possible

Mr. Deputy President: Cut motion moved

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

Dr. Zia Uddin Ahmad (United Provinces Southern Divisions Muhammadan Rural) Sir, I do not want to advance any argument in the year 1947 in favour of the abolition of this system I only appeal to the good economic sense of the Honourable the Railway Member that however meritorious it may have been in the past century, it is not tenable in the year 1947 We have heard

[Dr Zia Uddin Ahmad]

of the primitive system of accountancy when the money under various heads used to be kept in different pigeonholes, so that people definitely knew how much balance was there under each head But in these days of advanced accountancy a system of this kind is no longer tenable The argument brought forward before the Standing Finance Committee about the safety of the money is still there If there could be safety at the railway stations, there is more safety while the train is in motion I do not see that there is much risk We have really inherited the traditions of the medieval ages and we are still continuing the system on two railways, although we have given it up elsewhere and the sooner we adopt the modern system, the better it is You can have a better hold on your own servant than you can have on persons who take up the work on a contract basis Anybody from outside who hears about this system of payment will probably laugh at us seeing that we are still a century behind time I hope that this system will be given up as soon as possible If my Honourable friend the Railway Member were to make enquiries he would find out that the real cause of the continuance of this system is really a question of vested interests of a member of the department and not any question of economy or safety of the money

Sir, I support the motion.

Mr A C. Turner (Government of India Nominated Official) Sir, during the course of the debate at this time last year on a similar cut motion moved by my Honourable friend Mr Nauman I drew attention to some of the advantages from the point of view of the railways of the contract system and also to the difficulties of changing over to the departmental system at this particular time I said then that the Railway Board had an open mind on the subject it had called for certain information from the railways concerned and would after giving the matter due consideration refer it to the Standing Finance Committee for Railways On this assurance Mr Nauman withdrew his cut motion In pursuance of this undertaking a memorandum was placed before the Standing Finance Committee for Railways on the 20th November last, which the Honourable Members will find has been printed up with the proceedings of that date This memorandum explains at considerable length the advantages under the contract system which I may briefly summarise as follows —

For the Railway it is care-free It relieves the Administration of the control and recruitment of a large number of specialised staff, for whose training the railway can provide little or no facilities There is no trouble to the Administration of finding specialised staff in the event of a sudden increase of work Only one security has to be taken, that is the security from the contractor and this is sufficiently large to provide against all eventualities Under the contract system, in the event of any loss of cash, the recovery from the contractor is completely automatic It was suggested, I think, by the Honourable the Mover just now that no money is ever lost I am afraid he is not correct in his impression, for it was not very long ago that a sum of Rs 45,000 was stolen from the pay clerk of the B , B & C I Railway in broad daylight just outside the Reserve Bank of India, while he was being actually escorted by a police constable Further it is far easier for the contractor to discharge a pay clerk whose work is unsatisfactory than for the Railway We all know the difficulties of discharging a Government employee, even though his work may not come up to the mark Again, under the departmental system the cashier has no inducement towards economical administration Finally, when work decreases it is far easier to reduce expenditure under the contract system.

Comparisons have been made of the cost of the contract system as opposed to departmental working and the Railway Board are convinced that the contract system on these two railways is much cheaper than departmental

working would be I should like at this stage to correct an impression which was, I think, in Mr. Nauman's mind last year when he moved his cut motion and to which, I think, I heard a reference in the Honourable the Mover's speech just now, and that is that these contractors are paid on a commission basis. Mr Nauman said last year that he was informed that one per cent of the total turnover was being paid, and that we were paying crores This is not a fact The contractors are paid on a route mileage basis which bears no relation to the total turnover

Mr. Muhammad Nauman: What are they paid, as total?

Mr. A. C. Turner: Rs 26,200 p m on the North Western Railway It would cost Rs 42,000 p m without dearness allowance, grain concessions and the like if we were to run it departmentally, so the House will see that the contract system effects a substantial saving In the memo which was put before the Standing Finance Committee the Railway Department summed up their conclusions in these words

"(a) That a contract arrangement for the Cash and Pay Department is not *per se* objectionable but has considerable administrative and financial advantages, and that the policy of the Government should be not to have only one system to the absolute exclusion of the other, but to make the most efficient and economic arrangement possible in any set of circumstances"

The second point was

"(b) That at present there should be no changeover to the departmental system on the North Western and B, B and C I Railways, but the question of having one contractor only on the B, B and C I Railway instead of two as at present—(at present they have one for the metre gauge and one for the broad gauge)—should be considered with a view to employing one instead of two Further, that so long as the existing contractors continue to give cheap, efficient and satisfactory service there should be no call for open tenders, but Government should periodically review the rates and settle with the contractors by negotiation, and Government should call for tenders only as a last resort when negotiations do not result in a satisfactory settlement"

These are the two specific points which were put in the memorandum to the Standing Finance Committee After deliberation under the chairmanship of Mr. Asaf Ali the Committee approved these conclusions in the existing circumstances but expressed the view that the Cash and Pay Department should be departmentalised wherever and whenever practicable It will be seen, therefore, that for the time being Government do not feel that it is desirable to departmentalise the Cash and Pay Departments on these two Railways, though they will review the position from time to time in the light of changing conditions In view of this explanation I hope my Honourable friend will be prepared to withdraw his cut motion

Mr. Muhammad Nauman: I want to say just one or two words I was merely surprised at the Financial Commissioner saying that it is an economic arrangement What the Standing Finance Committee said in their last meeting was definitely this that the Cash and Pay Departments should be departmentalised as soon as possible We never wanted that we should turn it down at once and say "Do it at this moment" For a state railway having this sort of private arrangement there is something which is not understandable The Railway Department may be enamoured of contractors of all varieties I am one of those who do not want contractors even for food supply or anything in the world and I want that everything should be done departmentally There is no reason why we should spend Rs 26,000 a month on one agent and Rs 20,000 on the other as a commission for the Pay Department. The Honourable the Financial Commissioner did not give us any idea of the cost which was being met by the E I R and the other Railways for the Pay and Cash Department who were doing it departmentally and he could not have said that it was beneficial if this arrangement was to be maintained only on Railways. I definitely think that the Honourable the Railway Member would reconsider the whole attitude and try to see that the majority of the

[Mr. Muhammad Nauman]

House feels that this affair of the commission should not be allowed to continue any further

Shri D P. Karmarkar: Sir, I must frankly admit that in the initial stages when this discussion started I had no intention of intervening, and I have this advantage that before hearing this discussion I knew nothing about this subject and so I look upon this subject with an open eye and an open mind I should also frankly tell the House that having heard both sides of the question I am inclined to think that there is nothing wrong in the present arrangement Nothing wrong in the present arrangement has been suggested at all except of course what my Honourable friend to the right who preceded me said, that Government wanted to have all sorts of contractors they like. If there is anything wrong with the contractors it is open to the House and any Honourable Member to advise Government on that point But till now nothing has been pointed out questioning the advisability and correctness of the position with regard to the entrusting of the monies After all, I hope I am certain, none of us are interested in seeing that Government money is in jeopardy. In view of the report mentioned by my Honourable friend to my left of the loss of Rs 45,000, it is well that any risk of such money is taken by private contractors The present system of taking a guarantee against any losses is a very salutary one The railways do not stand to lose anything, and if the railways have been extravagant by way of expenditure on these contractors on the service they were taking from these contractors, certainly it is open to us to make the railways also agree with us and lessen the commission in view of the work involved But certainly in so far as I can judge from the speeches made on the floor of this House just before me, I very humbly feel that the present arrangements are absolutely o k and in view of the reasonableness of the Government s de on this question, I am hoping that the Honourable the Mover of this motion will very seriously consider the unreasonableness of his motion and withdraw it

Haji Abdus Sattar Haji Ishaq Seth (West Coast and Nilgiris Muhammadan) I certainly do not think that this arrangement is at all o k I do not think that Government have made out a case for themselves We were running these services departmentally all along I think the excuse is that because of the disturbed conditions in this part of the country this is a better arrangement But I request the Honourable Member to consider that many questions of principle are involved in this system of running the service of the state If this is supposed to be the best obtainable method then probably some contractor will come forward and say that he will run the whole Executive Council provided that we give him a commission It is quite possible that I myself may offer to be the Railway Member in this country on half the pay that my Honourable friend receives That certainly is not the criterion With regard to services, with regard to representation, with regard to qualification for services and so on, we have so many principles, and all these principles are brushed aside now One contractor comes and takes up the contract Tomorrow another will come and say that he will provide all the stationmasters This is a matter which has to be looked into If there was some urgent reason dependent on the situation in the country, that is something that one can consider But the reply that my Honourable friend has made makes me very uncomfortable because he does not seem to be considering the stopping of this service at all I do not like that attitude I want him to reconsider the question in the light of all that is involved in running a state service independently by the state and handing over the service to a contractor who may run it as he likes What happens to all the work that we have been doing in this House to get certain principles, certain conditions for safety set up Therefore I certainly do not like—of course it will be withdrawn—that there should be an impression in this House that this

motion was withdrawn because everything was o k as my Honourable friend said

Sardar Sampuran Singh. I wanted to make a few observations on this motion I do not think that there is really any danger of losing money if we handle this work ourselves nor so far there has been any real danger There have been thefts here and there but the country has been in peace for such a long time and I do not think there was any real danger of robberies, etc and that is why this system has so far succeeded There has been no danger to these *khazanchis* and they carried on this business all this time, but when the real danger comes and these people start losing money I think they will give up this work and the Government will have to take care of their money at that time Why not start caring for their money just now and start it immediately? There will be great advantage in doing so If we immediately start training our staff, we will employ a very large number of young men whom we will enable to earn their own livelihood By the present system we enrich only one or two men By the new system, we will give bread and butter to so many thousands of our young men When demoralisation sets in and the system begins to fail these *khazanchis* will not be able to compensate Government for the losses I know we have taken cash securities, to that extent we will be able to realise losses from them but if the losses are greater we will not be able to realise and I think it is better for the Government to take this work over If such a big department like the Railway is not able to look after their money surely there cashiers will not be able to look after them

The Honourable Dr John Matthai I should be very brief The Financial Commissioner in his speech pointed out that the present position of the department is that although for the time being a change in this system is not contemplated, the question is one which is open for review The Standing Finance Committee recorded the opinion that the departmental system should be introduced whenever and wherever practicable I must confess that this is not a question which I have been able to examine in any detail but I think I can give the House the assurance that both the Railway Department and myself will take the responsibility to review the system from time to time seriously

Mr. Mohammad M Killedar In view of the assurance given by the Honourable Member, I withdraw the motion

The cut motion was by leave of the Assembly withdrawn

Greater utilisation of Electricity for running Railways

Mr. Tamizuddin Khan (Dacca *cum* Mymensingh Muhammadan Rural) Sir I move

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

I feel very little enthusiasm in moving my motion because I know that it is sure to die a premature death I am afraid that even the reply of the Honourable the Railway Member will not be given so far as this motion is concerned My purpose was to discuss the need for greater utilisation of electricity for running railways I shall try to finish within a few minutes so that there may be just a chance of hearing the reply of the Railway Member provided no other speaker intervenes

At the present time coal is the principal form of power used for our railways and our coal resources are not inexhaustible The Honourable Member in his Budget speech had admitted that to a certain extent He says that our resources of good metallurgical coking coal are limited and that the Railway Board are prepared to forego the use of those particular high grades of coal required for metallurgical purposes This is about the higher grades of coal I think the inferior grades of coal are also not inexhaustible The fuel crisis in England should serve as a severe warning not only to that country

[Mr Tamizuddin Khan]

but to the world at large The rate at which the world is now consuming coal is appalling It is increasing every day and if we go on in this way then I am sure that we shall have denuded the bowels of mother earth of all the coal that she holds in reserve for us within a century or two, unless of course the atom bomb destroys the human race or civilisation earlier than that That being so, it is high time that we should consider alternative forms of power The Honourable the Railway Member is already alive to this question He says in para 17 of his speech that keeping the railways adequately supplied with coal remains an ever present anxiety and in some instances train services have had to be curtailed and booking restrictions imposed for short intervals to tide over the more difficult periods The alternative source of fuel that he refers to at present is nothing but electricity About that he says in para 21 that the Board are exploring the possibilities of alternative forms of power He says They have had under examination the prospects of electrifying 1500 route miles of India's railways including the Bombay-Ahmedabad section and so on

Now the proposal that he has adumbrated seems to be as yet in a nebulous state Only the possibilities are going to be examined at present but I think that the matter should be taken up in right earnest One question that arises in this respect is whether attempts should be made to make greater use of hydro-electric power or use should be made of electricity produced by what is called the thermal process In the latter process coal is a necessary ingredient I do not know whether to run railways by electricity produced by this process will be more economical in the long run than railways run by coal itself That is a matter for experts to see It may be a little more economical, but still it involves a very large consumption of coal The other method of the production of electricity, namely, the hydro-electric method will certainly be more economical, but its possibilities are not great in all parts of the country In certain areas it has got no possibilities whatsoever But in other areas there are possibilities I confess I do not know whether long railway lines could be economically run by the production of electricity by this method The Honourable Member is in a better position to know that But if this method is economical, then in that case I think there are very great possibilities In this respect, I do not know why the Railway Department should not make co-ordinate efforts along with the general branch of the Government. The Government of India have also their electrical schemes and those schemes are probably going to be given effect to very soon The railways may have their own schemes, no doubt, but it is a matter for consideration whether schemes worked in co-operation with the general branch of the Government will not be more economical So far as resources are concerned, the Railway Department being the largest industrial concern in the country have, if I may use that expression, certainly large resources The railways, I think, have got greater resources than the Government, because the Government have so many other pre-occupations Therefore, they are not in a position to invest very large sums of money for this purpose, although it is a very urgent purpose But the railways, I think, can spend fairly large amounts for a purpose like this

Then, Sir, I would like to refer to another thing Why should we confine our researches to electricity only? Can't we think of other forms of alternative power? Is it beyond our conception or beyond possibility to make use of atomic energy for this purpose? The suggestion has raised a laughter in certain quarters of this House and it may be an idle dream of a layman. But I would like to say this that other countries are making investigations regarding the use of atomic energy for beneficial purposes and I do not know why this country should lag behind in making such attempts Shall we be always looking at others making these investigations and do nothing ourselves

to contribute to the world effort to solve this great problem? I think in conjunction with the Government or alone the Railway Department can certainly put up a research station We always look upon other countries for help and to borrow their inventions We have done that in the past Shall we be doing that also in the future? In the long run, it may seem to be a cheaper proposition to borrow from other countries, but if serious attention is paid to this matter, it does not ultimately prove to be cheaper They do not part with their inventions easily

Maulana Zafar Ali Khan (East Central Punjab Muhammadan) There are large stocks of uranium in this country

Mr. Tamizuddin Khan. My Honourable friend reminds me that there are large stocks of uranium and thorium in this country We have got the necessary resources All that we have got to do is to direct our attention to investigate the possibilities of making use of these resources What I have said may seem to be Utopian, but I think this is a matter which should certainly be investigated

Mr. Deputy President: Cut motion moved.

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

Sri T. V. Satakopachari (Tanjore *cum* Trichinopoly Non Muhammadan Rural) Sir, I wish to submit a few observations on the remarks made by my Honourable friend about the necessity of the electrification of railways I thought we are passing through an electric age and we shall reach the atomic age soon I am sure when atomic energy will be harnessed for our transport, then our transport will utilise the atomic energy to the satisfaction of my friend Mr Gole In point of economy, I have no doubt that electric energy will be much better than the steam locomotive energy In point of giving us comfortable travel, it surpasses everything else I remember the last occasion when I travelled from Madras to Delhi and when I had the misfortune of getting into the Grand Trunk Express with its wonderful engine which coughed asthmatically emitted smoke all the time I just had the desire to put my head out, a thing which is prohibited by the railways, and I got a piece of coal in my eye That obliterated all the scene that passed in front of my sight My only occupation then was to have it out That is a thing which we won't get in the electric trains Then, just imagine the figure which we present when we come out of the train The station is itself very dirty and we seem to compete with the stoker of the engine We are all black I will certainly welcome the day when all the transport is electrified and when we are able to harness the atomic energy

Coming from South India, I really believe that the day of the steam engine monopolising all transport, at least the metallic road transport, is gone I visualise a time when there will be a grid system connecting all the electric power of the country We especially want a grid system for the South because here I believe we have got a very good electric system in the Pykara electric scheme and other schemes There will be a further advantage in this matter We can abolish all classes and we can then vie with the communists They want to abolish all classes and bring in one class-less society for the whole of India So, we can vie with them and bring out a class-less railway carriage We need not have first class, second class and the hybrid class called the inter class We need have no classes at all We should be given comfortable sleeping accommodation in long-distance trains which won't stop at small stations and which will go from one big station to another big station at a distance of hundreds of miles For intermediate passengers, there will be comfortable bogies with seats having some leg space just as they provide in all railways I think that will be the best system For such a system, electricity will be the best We need not have a black iron horse running in front

[Sri T. V Satakopachari.]

of us The electric trains will be more economical and will have less noise. Then, we need not have a part of our humanity sunk in coal pits to dig up that black material called coal for our comfort We can abolish to a very great extent this miserable method of earning the livelihood by these poverty-stricken miners.

Mr. Deputy President: Order, order It is now 5 O'clock and the House stands adjourned till 11 A M tomorrow

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 26th February 1947

LEGISLATIVE ASSEMBLY

Wednesday, 26th February, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr President (The Honourable Mr G V Mavalankar) in the Chair

STARRED QUESTIONS AND ANSWERS

*(a) ORAL ANSWERS

*606 [Withdrawn]

SEGREGATION OF INDIANS IN SOUTH AFRICA

†607 *Mr. Ahmed E. H. Jaffer: Will the Honourable Member for Commonwealth Relations please state whether Government propose to lay on the table of the House a statement showing the number of Indians at present residing in the Union of South Africa and the number of Indians subjected to segregation and other hardships in the Union?

The Honourable Pandit Jawaharlal Nehru: There are about 2,77,000 Indians in the Union of South Africa About 16,500 Indians residing in the Cape Province are not subjected to any serious statutory disabilities and hardships All the remaining Indians (that is to say about 2,60,500) who reside in the Transvaal and Natal Provinces are, however, subject to segregation and other discriminatory measures causing hardships The segregation laws have been actually enforced in areas which have an Indian population of about 1,63,500 and this population may be said to have been subjected to segregation

MR R. K NEHRU'S DELEGATION TO THE U N O CONFERENCE ON TRADE IN LONDON

†608. *Mr. Ahmed E. H. Jaffer: (a) Will the Honourable the Commerce Member be pleased to state whether Government propose to lay on the table of the House a copy of the instructions, if any given to the Indian Delegate Mr R K Nehru attending the U N O Conference on Trade in London?

(b) Have Government received a report from Mr Nehru on the results of the Conference?

(c) If so, do Government propose to lay it on the table of the House?

(d) Has the Conference agreed on the reduction of Tariff Barriers and the removal of discrimination?

(e) When will the next Conference be held and where?

(f) Do Government propose to give an assurance that all parties from the assembly will be represented?

(g) Do Government propose to appoint in future, a non-official as leader of the delegation instead of an official?

The Honourable Mr. I. I. Chundrigar: (a) Six copies of the brief given to the Indian Delegates have been placed in the Libarary

(b) No

(c) This does not arise at present.

(d) The Committee was in general agreement with the basic principles that members of the International Trade Organization should enter into reciprocal and mutually advantageous negotiations with each other directed to the substantial reduction of tariffs and to the elimination of preferences

(e) The second Session of the Preparatory Committee of the International Conference on Trade and Employment is scheduled to commence at Geneva on the 10th April 1947

†Answer to this question laid on the table, the questioner being absent

(f) Though the discussions at the Preparatory Committee meeting are to be held at an expert official level, the Government of India are considering the question of attaching non-officials representing different interests, to the Delegation

(g) I am hoping to be able to lead the Delegation myself

COMPLAINTS AGAINST MESSRS TURNER MORRISON & CO, *re* STRANDING OF PILGRIMS AT JEDDAH

†609. ***Mr. Ahmed E. H. Jaffer:** (a) Will the Honourable Member for Commonwealth Relations please state whether Government had received an urgent cable in November last from Moulana Ismail Ghaznavi from Mecca, complaining against the action of Messrs Turner Morrison & Co, in instructing their ships to return to Egypt with Egyptian Pilgrims, thereby leaving stranded at Jeddah very large number of Indian pilgrims who should have been previously taken in accordance with the terms of contract?

(b) Has any correspondence taken place between the firm and the Government of India in respect of this matter?

(c) If so, what explanation has been received from the firm in question?

The Honourable Pandit Jawaharlal Nehru: (a) Yes a telegram to this effect was received

(b) Yes

(c) The shipping company have explained that all the pilgrims who were likely to arrive at Jedda up to the end of November were adequately catered for, and such delay as occurred in the return of pilgrims was due partly to bad weather conditions and partly to damage caused to one of their biggest ships by a tornado They have also urged that the transporting of Egyptian pilgrims, without causing undue inconvenience to Indian pilgrims is one of the reasons why they are able to accept the present rates of fares for Indian pilgrims

610.*—612.* [Withdrawn]

ARREST OF INDIANS IN CONNECTION WITH SATYAGRAHA CAMPAIGN IN SOUTH AFRICA

613. ***Pandit Sri Krishna Dutt Paliwal:** Will the Honourable Member for Commonwealth Relations please state

(a) the number of Indians arrested in connection with Satyagraha Campaign in South Africa till the end of 1946,

(b) the number convicted until then,

(c) the treatment being meted out to the Satyagrahis in the prison,

(d) the progress and the prospects of the Satyagraha movement, and

(e) the assistance being given or proposed to be given by the Indian Government and the Indian people to their nationals in South Africa in this campaign?

The Honourable Pandit Jawaharlal Nehru: (a) 1,546

(b) 1,545

(c) According to the information received by the Government of India, complaints have been made by passive resisters of undue strictness in enforcing gaol discipline There is stated to be no distinction in South African prisons between political offenders and criminal prisoners

(d) The passive resistance movement is still continuing and the leaders of the passive resistance movement have declared their intention of continuing this movement until discriminatory laws are repealed

(e) The attention of the Honourable Member is invited to the replies to part (b) of question No 140 asked by Shri Sri Prakasa, on the 1st November

†Answer to this question laid on the table, the questioner being absent

1946, to question No. 64 asked by Babu Ram Narayan Singh on the 5th February 1947 and to question No 501 asked by Sardar Mangal Singh on the 22nd February, 1947

Sardar Mangal Singh: May I know whether the Government of India wrote directly to the Union Government or through His Majesty's Government to get information about the condition of prisoners?

The Honourable Pandit Jawaharlal Nehru: We got the information from our Agent The High Commissioner has come back, but his Assistant is still there and he supplies with this information which he obtains in South Africa

FRONTIER POLICY OF GOVERNMENT OF INDIA

614. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable Member for External Affairs please state.

(a) whether Government have finally decided their policy about the frontier, if so, what, and

(b) the nature and extent of the change in the situation as a result of that new policy?

The Honourable Pandit Jawaharlal Nehru: (a) and (b) No final conclusions have been reached As the Advisory Committee of the Constituent Assembly will presumably deal with Tribal Areas, it is proposed to await the report of that Committee before any final conclusions are reached The general policy aims at the well-being of the Tribal Areas and the maintenance of peace While this objective is clear the means to achieve it have to be carefully considered.

GOVERNMENT'S RELATIONS WITH FAQIR OF IPI

615. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable Member for External Affairs please state

(a) whether Government have established friendly relations with the Fakir of Ipi by now, and

(b) whether Government have received any communication from the Fakir in this connection.

The Honourable Pandit Jawaharlal Nehru: (a) I have nothing to add to the reply which I gave to the Honourable Member's question No 147 at the meeting of this Assembly on the 1st November 1946 Government are desirous of maintaining friendly relations.

(b) No.

DELAY IN PUBLICATION OF COMMERCIAL JOURNALS BY THE GOVERNMENT OF INDIA

616. *Mr. Vadilal Lallubhai: (a) Will the Honourable the Commerce Member please state how many commercial and other publications are published by the Government of India in the Commerce Department directly or through other Departments such as that of the Economic Adviser and Commercial Intelligence and what are their titles?

(b) Which are the latest published issues of the same?

(c) Is it a fact that many important and informative journals of the Government of India are published when they are out of date?

(d) What is the reason for the delay in publishing these journals which reduces the usefulness of these publications?

(e) Have the Government taken or propose to take any steps to have these publications published regularly and in time?

The Honourable Mr. I I. Chundrigar: (a) and (b) I lay on the table a statement giving the information in respect of the periodical publications of this Department.

(c) and (d). There has been some delay in the issue of most of the publications, owing mainly to (i) the dislocation and accumulation of work during and after the War, (ii) Labour unrest in the Presses, and (iii) delayed transmission of relevant statistics from reporting authorities

(e) The matter is already engaging attention and efforts are being made to overtake arrears and reduce the time-lag

Statement showing nodical publications of the Department of Commerce.

List of publications (1)	Latest issues (2)	Remarks (3)
WEEKLY		
(1) Indian Trade Journal	20th February, 1947 (Published on Thursday).	
atistics of Rail and River-borne Trade Weekly arrivals and despatches of certain staple commodities into and from selected trade centre.	Four weeks from week ending 22-9-45 to w e. 13 10-46	The issue for four weeks from week-ending 20th October 1945 to week-ending 10th November 1945 (combined) is passing through the Press. Compilation of data upto the w e. 7th September 1946 is ready
(3) Indian Market Review	22nd February 1947	
reign Market Review	24th February 946	
MONTHLY		
(5) Accounts relating to the Seaborne Trade Nevigation British India	May, 1946	The issue for June, 1946 is passing through the Press. Compilation of data upto the month of September 1946 is ready.
(6) Monthly Statistics of the Cotton Spinning & Weaving in Indian Mills	February and March 1946 (combined).	The issue for April and May, 1946 (combined) is passing through the Press
(7) Monthly Statistics of the Production of certain selected Industries of India.	December, 1944 to March, 1945 (Combined.)	The issue for April and May, 1945 is passing through the Press.
(8) Indian Customs and Central Excise Revenue.	January. 1947	
(9) Joint Stock Companies (registered in British India and in the Indian States of Hyderabad, Baroda, Mysore, Travancore and Cochin.	July, 1944	The issues for August and September, 1944 are pasing the Press. Compilation of data upto December, 1944 is ready
(10) Trade at stations adjacent to Land Frontier Routes	January, 1944	The issue for February, 1944 is passing through the press. Compilation of data upto December, 1944 is ready
(11) Raw Cotton Trade Statistics (Rail & River).	September 1945	The issue for October 1945 is passing through the press. Compilation of data upto ugust, 1946 is ready.

List of publication (1)	Latest issue (2)	Remarks (3)
(12) Exports of Indian Artware and Sports goods		The publication was temporarily discontinued after the issue for December, 1939 and is now being re-published. The March, 1946 issue is passing through the Press
(13) Trade Statistics relating to the Maritime-States in Kathiawar and the State of Travancore.	March, 1945	The issue for April, 1945 is passing through the press Compilation of data upto December 1945 is ready.
(14) Accounts relating to the Coasting Trade and Navigation of British India.	August, 1944	The issue for September, 1944 is passing through the press. Compilation of data upto June, 1945 is ready.
(15) Monthly Statement of wholesale price of certain selected article at various centres in India	June, 1945	The issue for July, August and September, 1945 (Combined) is passing through the press. Compilation of data upto December, 1945 is ready.
(16) Accounts relating to the Inland (Rail and Riverborne) Trade of India.	August, 1944	The issue for September, 1944 is passing through the press. Compilation of data upto July, 1945 is ready.
(17) Trade Marks Journal	1st February, 1947	
(18) Monthly Survey of business Condition in India	March, 1946	
QUARTERLY		
(19) Statutory and Other Notices	Quarter ending March 1945.	
ANNUAL		
(20) Annual Statement of the Seaborne Trade of British India with the British Empire and Foreign Countries Vols I & II,	Vol I—1942-43 and 1943-44 (combined) Vol. II—1939-40.	The issue for Vol II for 1941-42 to 1943-44 (combined) covering figures for five years ending 1943-44 is now passing through the Press
(21) Statistical Abstract for British India	1939-40	The issue for 1940-41 is no passing through the press.
(22) Agricultural Statistics of India, Vols. I & II.	Vol I—1938-39 Vol II—1938-39	
(23) Agricultural Statistics of British India (Provisional).	1942-43	Issue for 1943-44 is passing through the press.
(24) Estimates of Area and Yield of Principal crops in India	1940-41	Combined issue for the three years ending 1943-44 is passing through the press
(25) Indian Tea Statistics	1940	Compilation of data for the combined issue for two years 1941 and 1942 is ready
(26) Indian Coal Statistics	1943	

List of publications (1)	Latest issues (2)	Remarks (3)
(27) Indian Rubber Statistics	1941 & 1942 (Combined).	....
(28) Indian Coffee Statistics	1940-41	Compilation of data for the (combined issue for two years 1941-42 and 1942-43 is ready.
Cotton pressing factories with names of owners and particulars of marks alloted to them in the different provinces of British India and in certain Indian States.	1941-42 and amendments for 1942-43.	Compilation of data for the issue for 1943-44 is ready
(30) Joint Stock Companies in British India, and in the Indian Stats of Hyderabad, Mysore, Baroda, Gwalior, Indore, Travancore and Cochin.	1938-39 .	The issue for 1942-43 containing figures for four years 1939-40 to 1942-43 is passing through the press.
(31) Indian Customs Tariff	27th Issue	Also issued as Supplement to the Indian Trade Journal.
(32) The Review of the Trade of India.	1943-44 . .	....
(33) The Indian Insurance Year Book.	1946	.
(34) Register of Accountants	September, 1946	. .
(35) Prospectus of the Indian Mercantile Marine Training Ship "Dufferin"	1946 .	.
BIENNIAL		
(36) Large Industrial Establishments in India.	1942 . .	The issue for 1944 is passing through the press
QUINQUENNIAL		
(37) Quinquennial Report of the average yied per acre of principal crops in India.	1936-37 . .	..
(38) Live-Stock Statistics, India	1940 . .	The issue for 1945 is passing through the press.
(39) Quinquennial Catalogue of the Commercial Library.	Part I—corrected upto 30th April 1932. Part II—brought upto April, 1941.	Revised edition will be sent to the press shortly.

List of publications (1)	Latest issues (2)	Remarks (3)
OTHER PERIODICALS		
(40) Crop forecasts :		
(i) Rice—1st, 2nd and Final		
(ii) Wheat—1st, 2nd, 3rd, 4th and Final.	(ii) Wheat and (iv) Linseed, Rape and Mustard for 1945-46	
(iii) Cotton—1st, 2nd, 3rd, final and supplementary		
(iv) Linseed, Rape and Mustard—1st, 2nd and Final.	For other crops, only 1st and 2nd forecasts for 1946-47 have been issued so far	
(v) Sesamum, 1st, 2nd, final and supplementary		
(vi) Groundnut—1st, 2nd and final		
(vii) Castor seed—February		
(viii) Sugarcane—1st, 2nd and final		

Mr. Vadilal Lallubhai: Is the Honourable Member aware that statistical abstracts are not available for the last five years?

The Honourable Mr. I. I. Chundrigar: It was decided that certain publications should be suspended because of shortage of paper and the question of resuming publication is under consideration

Mr. Vadilal Lallubhai: Does the Honourable Member think that statistical abstracts are not important?

Mr. President: Order, order, that is a matter of opinion

Mr. Vadilal Lallubhai: Is the Honourable Member aware that monthly statistics of sea-borne trade, statistics of price of cotton etc , are not available for the last twelve months?

The Honourable Mr. I I Chundrigar: I have explained the reasons which led to the stoppage of these publications

Mr. Vadilal Lallubhai: Does the Honourable Member consider that twelve months delay is not a long delay?

Mr. President: That is a matter of opinion Next question

URANIUM AND THORIUM DEPOSITS IN INDIA

617. *Mr. Tamizuddin Khan: Will the Secretary of the Works, Mines and Power Department be pleased to state

(a) the places where Uranium and Thorium deposit have been discovered in India,

(b) whether Government have any plan with regard to these deposits,

(c) in whom their proprietory rights are vested,

(d) the steps taken to prevent foreign exploitation of these deposits, and

(e) whether any legislation is contemplated with regard to these?

Mr. B. K. Gokhale: (a) A statement is laid on the table giving the names of places where Uranium and Thorium bearing deposits have been discovered in India

(b) An Atomic Research Committee has been formed under the Chairmanship of Prof H. J Bhaba It is also proposed to establish a Uranium Unit under the Geological Survey of India in charge of Dr M S Krishnan It will be for these two organizations to work out some plan in due course

(c) It is not possible to give a reply to this question without detailed investigation of each particular property, but generally speaking, proprietary rights in minerals belong to the State so far as Indian States and certain provinces are concerned, while in other places proprietary rights are claimed by private parties Each case has, therefore, have to be examined on merits by the Provincial Government or State concerned

(d) and (e) So far as British India is concerned, the export of Uranium, Monazite and Thorium is at present controlled under the Commerce Department Export Control Notifications which will continue in force upto the 25th March 1947 The other points raised are now under consideration

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Statement

There have been small occasional finds of specimens of uranium-bearing minerals from the Abraki Pahar Mica Mines and from Pichhli in the Gaya District, from Sungri in Singbhum District, from the Sankara and Kodandarama Mica Mines and from Tummalatalapur in the Nellor District, from near Vaiyampatti in the Trichinopoly District, from Yedur in Mysore, from Thadagay Hill in Travancore and from Bisundni in Ajmer Merwara

Monazite, one of the thorium bearing minerals, occurs in the Beach Sands in Travancore State and in the coastal areas of the Madras Presidency and Orissa

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Mr. Tamizuddin Khan. Will the Honourable Member be pleased to state the names of places in the list? If the list is not a long one, he might give the names of places on the floor of the House

Mr. B. K. Gokhale: The list is fairly lengthy Some of the names are difficult to pronounce If you want me, Sir, I shall read it

Mr President: It need not be read now, it may be referred to later on

REPORT OF THE INDIAN DELEGATION TO THE SECOND PART OF FIRST SESSION OF GENERAL ASSEMBLY OF UNITED NATIONS

618. *Mr. M. R. Masani: Will the Honourable Member for External Affairs please state whether Government propose to lay on the table of the House a copy of the Report submitted to them by the Indian Delegation to the second part of the First Session of the General Assembly of the United Nations held in October—December 1946?

The Honourable Pandit Jawaharlal Nehru: The report in question has not yet been submitted to Government It is expected very shortly and a copy will be laid on the table as soon as it has been printed

Mr. M. R. Masani. Is the Honourable Member aware that the Report on the work of the United States Delegation to the U. N Assembly was submitted to Congress by President Truman on 6th February, and will the Honourable Member please expedite the submission to this Assembly of the Report of the Indian Delegation on their work at the U N Assembly?

The Honourable Pandit Jawaharlal Nehru: Is the Honourable Member referring to the report of the last Session?

Mr. M. R. Masani: Yes, it is for the same session that the United States Delegation has already submitted its report, and it was also presented to Congress by President Truman on 6th February

The Honourable Pandit Jawaharlal Nehru: I am not aware that President Truman sent the report to the Congress, but I shall certainly expedite our report as far as I can.

Mr. M. R. Masani: Will the Honourable Member also kindly take steps to place in the Library of this House a copy of the Journal of the United Nations containing the proceedings of the Session from October to December last year, which otherwise are not available to Honourable Members of this House?

The Honourable Pandit Jawaharlal Nehru: I shall certainly try to do that I am not quite sure how many copies are available I believe there is a copy in the External Affairs Department Normally we should not like to part with it, but I hope the Library of the Legislative Assembly Department will subscribe to these Journals I do not know why they should not get them direct Anyhow I shall try to do my best

TRADE RELATIONS OF NEPAL WITH FOREIGN COUNTRIES

†619 ***Mr. Madandhari Singh:** Will the Honourable the Commerce Member be pleased to state whether Nepal is under the Government of India for her imports, exports and trade dealings with other countries?

The Honourable Mr. I. I. Chundrigar: The Honourable Member presumably wants to know whether Government of India control the import and export trade of Nepal If so, the answer is in the negative

CREATION OF AN EMBASSY IN NEPAL

†620 ***Mr. Madandhari Singh:** Will the Honourable Member for External Affairs be pleased to state whether the Government of India propose to create an embassy in Nepal?

The Honourable Pandit Jawaharlal Nehru The Government of India have not yet reached a decision regarding the establishment of a diplomatic Mission in Nepal

SHORT NOTICE QUESTION AND ANSWER

TAKING OVER OF D E S T, CO LTD, AND THE QUESTION OF DISTRIBUTION OF ELECTRICITY IN DELHI BY D C E P A AND THE MUNICIPALITY

Lala Deshbandhu Gupta: Will the Secretary of the Department of Works, Mines and Power be pleased to state

(a) whether Government are aware that the Delhi Central Electric Power Authority is taking over the generation and distribution of electricity hitherto done by the Delhi Electric Supply and Tract on Company Ltd, in Old Delhi Municipal Area with effect from the 2nd March, 1947, and that an agreement has already been worked out to that effect in consultation with the Government of India,

(b) whether Government are aware that the Delhi Central Electric Power Authority, as at present constituted, will not be able to continue to charge the same rates as are being charged for electricity in the Delhi Electric Supply and Traction Company, Ltd, areas of supply and after deducting its cost of production and distribution to hand over the balance to the Delhi Municipal Committee,

(c) whether New Delhi Municipal Committee, being a distributing Licensee, is able to buy electricity in bulk from the Delhi Central Electric Power Authority and distribute through its own organisation in its area and thereby make a substantial profit which goes towards the general revenues of the Committee,

(d) whether Government's attention has been drawn to the resolution passed recently by the Delhi Municipal Committee to apply for the grant of a distributing License for its area and to be treated alike in this matter as the New Delhi Municipal Committee, if so, whether Government propose to consider the application of the Delhi Municipal Committee, or in the alternative, to under-

†Answer to this question laid on the table, the questioner being absent

take to run the entire distribution system through the Delhi Central Electric Power Authority, which is already empowered to take over the Delhi Electric Supply and Traction Company, Ltd , as a going concern and pass on that part of the profits that it makes in each of the Municipal areas, which are served *pro rata*, to the Municipal Authority concerned and if not, why not,

(e) whether Government are aware that the Delhi Central Electric Power Authority is a purely nominated body and has no representative of the Delhi Municipal Committee on it, and

(f) whether Government propose to fill up the seat which was hitherto held by the representative of the Delhi Electric Supply and Traction Company, Ltd , after the said Company has been taken over by the Delhi Central Electric Power Authority?

Mr. B. K. Gokhale: (a) Yes, Sir

(b) Government are not aware that the Delhi Central Electric Power Authority contemplate any alteration in the rate schedules fixed by the Delhi Electric Supply and Traction Co Ltd , The question of amending the constitution of the Delhi Central Electric Power Authority to include retail distribution of electricity is under consideration The question of handing over any balance to the Delhi Municipal Committee does not arise

(c) Yes, Sir

(d) Government have seen a statement to this effect in the press When the Resolution comes up to Government through proper channel, it will be duly considered

(e) The Delhi Central Electric Power Authority, Ltd , is a private company with seven members, of whom two are nominated by Government, the other five being appointed by their constituencies either by election or nomination, as the case may be The Delhi Municipal Committee is entitled to elect or nominate one representative, but has so far refused to do so

(f) The matter is under consideration

Lala Deshbandhu Gupta. Is it a fact that out of the six non-official Directors of the Delhi Electric Power Authority four are Europeans and two are Indians?

Mr. B K. Gokhale. I have not got the names but probably that is correct

Lala Deshbandhu Gupta: Is it a fact that there is no representation either of the taxpayer or of the general consumer on this body?

Mr. B. K. Gokhale: The seven members represent (1) the Delhi Municipal Committee (2) the New Delhi Municipal Committee (3) the Punjab Chamber of Commerce (4) the Delhi Electric Supply and Traction Co , Ltd (5) The Delhi Factory Owners' Federation (6) a nominee of the Governor General in Council, and (7) a nominee of the Commander, Delhi Independent Brigade Area as representing the interests of the military consumers

Lala Deshbandhu Gupta. Does the Honourable Member therefore agree that there is no representation either of the taxpayer or of the general consumer on this body and these Directors are not responsible to the shareholders and their liability is limited to Rs 50?

Mr. B K. Gokhale: As I explained, this is a private company registered under the Companies Act and I have mentioned the names of the seven representatives, two of them are elected by the municipal bodies and some others by the Chamber of Commerce and others whom I presume represent the consumers in various forms Some represent military consumers and some represent civil consumers, and the representative of the Factory Owners' Association represents the industrial consumers So they do represent consumers directly or indirectly

Lala Deshbandhu Gupta: Why did the Delhi Municipality non co-operate with this body and not send its representatives?

Mr. B. K. Gokhale: The company was formed in 1938 and I believe the Delhi Municipality always refused to send their representative because they were only given one seat against two claimed by them.

Lala Deshbandhu Gupta In view of the fact that the Delhi Electric Supply and Traction Co will no longer be a constituent of this body and one seat will fall vacant will Government consider the desirability of ending that deadlock and giving another seat to the Delhi Municipality?

Mr. B. K. Gokhale: I said that the question is under examination, but I cannot commit Government to give that seat to the Delhi Municipality.

Lala Deshbandhu Gupta: Is it a fact that these Directors or so called Directors enjoy unlimited powers and the accounts of the D.C.E.P A P. are not subject to the usual control which is exercised by Government over municipalities or other statutory bodies?

Mr. B. K. Gokhale: I explained that this is a private company registered under the Companies Act and they have got their Memorandum and Articles of Association I can lay a copy on the table if desired, and the Honourable Member can draw his own inference as to the check exercised by Government Out of seven members, two are Government nominees and the other five are nominated by other people.

Lala Deshbandhu Gupta: Is it not a private company only in name and the capital is entirely that of Government?

Mr. President: That is an argument and not asking for information What information does the Honourable Member want?

Lala Deshbandhu Gupta: Is it a fact that the expenses of the D C E P A have gone up considerably and its administration is top-heavy Is it also a fact that the salary bill comes to a lakh per year?

Mr. President: Order, order I do not think these questions are admissible

Shri Mohan Lal Saksena: Will Government consider the desirability of nationalising or taking this company over?

Mr. B. K. Gokhale: I can only say that I will put up the matter before Government But I may also explain that under the Electric (Supply) Bill introduced in this House last year, it would have been possible for Government to set up an electricity board for Delhi province Unless and until that Bill is passed, it was not possible to set up a trading corporation and therefore Government decided that the best way was to have a private company registered under the Companies Act Although it is a private company it is to a very large extent under Government control But I will certainly put up the matter again before Government for consideration

Lala Deshbandhu Gupta: Will Government consider the question of putting New Delhi and Old Delhi on the same basis, so far as the distribution of electricity is concerned in their respective areas?

Mr. B. K. Gokhale: That does not arise I have said that all these points are now under consideration, I cannot go any further

Lala Deshbandhu Gupta: Is it a fact that the Delhi Municipality has already applied for a license and the application is with Government"

Mr. B. K. Gokhale: It has not reached me, Sir

MESSAGE FROM THE COUNCIL OF STATE

Secretary of the Assembly: Sir, the following message has been received from the Council of State

"The Council of State at its meeting held on the 25th February, 1947, agreed without any amendment to the following Bills, which were passed by

the Legislative Assembly at its meetings held on Monday, the 3rd, Wednesday, the 5th and Monday, the 10th February, 1947, namely.—

1 A Bill for the more effective prevention of bribery and corruption.

2 A Bill further to amend the Indian Extradition Act, 1903

3 A Bill further to amend the Coffee Market Expansion Act, 1942

4 A Bill further to amend the Factories Act, 1934

5 A Bill further to amend the Indian Railways Act, 1890

6 A Bill to regulate certain payments, dealings in foreign exchange and securities and the import and export of currency and bullion

7 A Bill further to amend the Indian Navy (Discipline) Act, 1934.

8 A Bill to provide for the completion of recovery of the temporary excise duty on sugar"

INDIAN TRADE UNIONS (AMENDMENT) BILL

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

The Honourable Shri Jagjivan Ram (Labour Member) Sir, I present the Report of the Select Committee on the Bill further to amend the Indian Trade Unions Act, 1920

THE RAILWAY BUDGET—LIST OF DEMANDS

SECOND STAGE—*contd*

DEMAND NO 1—RAILWAY BOARD—*contd*

Capacity of Indian Railways to meet Transport needs of the Country

Mr. President: The House will now proceed to consider the various cut motions May I know whether in view of the early termination of the Question Hour it is proposed to stick to the time table? The other day there was some complaint on behalf of the unattached members that the time allotted to them was insufficient

Mr. P. J. Griffiths (Assam European) We are quite willing to give up half an hour which may be allotted to the unattached members

Shri Mohan Lal Saksena (Lucknow Division Non-Muhammadan Rural) There is one cut motion on which the Government have now got an opportunity of giving a reply Some time may be set apart for that; it was standing over from day-before-yesterday

Mr. President: That would be outside the agreement I take it that the European Group will carry on up to 8-30

Mr. W. M. Martin (Bombay European) Sir, I move

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

Sir, in discussing the capacity of the present and future in regard to the Indian Railways, I would like to assure the Honourable Member for Transport that I do fully appreciate the difficulties that the Railways today have to contend with We are quite aware of labour troubles, steel shortages and wood and other shortages so that in making my criticism I would like to assure the Honourable Member that I am bearing all his troubles in mind In discussing the capacity of the Railways I think it is fairly obvious that it must be divided into the long term policy and the short term policy I think the long term policy is a fairly simple one and I would only ask two questions Whether the present passenger traffic is going to be maintained and whether there would be the same demand for goods freight The questions are easy, but the answers may not be so easy In my opinion the passenger demand has certainly come

to stay The Honourable Member said yesterday, Sir, that more money and more leisure was having the effect of making people more travel-minded and I feel that as it is the policy of this Government and the Provincial Governments to increase the standard of living I think it certainly can be taken for granted that with an increased standard of living the people will get even more travel-minded than they are today

With regard to the freight traffic, that, Sir, is not quite so easy to answer It depends very largely on the pace of the industrialization of this country I am going to leave the long term policy and to get on to the policy which interests us more and that is the short term policy Now I have taken a great deal of trouble to examine the Railway Board's Reports for the purpose of comparing the railway capacity in 1939 and in 1945, and I am aware that it is rather dangerous to prove ones points on figures and even more dangerous on statistics and it is just as easy to disprove what one has tried to prove by almost the same figures With regard to the capacity in 1939 compared to 1945 the freight carried in 1939 was 86 4 million tons over 22 158 million miles, and the average was 256 2 miles per ton In 1945 the freight carried was 101 million tons over 28 410 million miles at average of 279 3 miles per ton. That, Sir, is approximately 17½ per cent increase I understand, and I believe that in 1946, that is the year under review, the amount of freight carried was not as much as in 1945 It would be interesting to hear from you what you estimate to be the freight demand for the coming year

Another point is that wagon usage was 40 miles per day in 1939 and also 40 miles per day in 1945 An interesting point is that in 1939 the average wagon usage included those that were standing and stabled, and in those figures there is an allowance for 10,000 wagons having laid idle for two months and this figure went up to as high as 18,000 at one time

Load per train (steam) in 1945 was 460 tons and in 1939 380 tons, and speed of a goods train—that is not quite so easy—in 1945 is stated to be 10 miles an hour, but I cannot find any figures for 1939 I gather that the average speed was round about 15 miles an hour The point I am trying to make is this We are told that the capacity today is 30 per cent more than it was in 1939 If the freight moved in 1946 was less than 1945, which was only 17½ per cent higher than in 1939, am I not right in assuming that today there should be no shortages of wagons, but, Sir, there are shortages and there is certainly great difficulty—not of course as great as it was—in getting ones goods moved I think I can anticipate your rely to that point, and that is, as you stated yesterday, that a good deal of wagon reserve had to be kept for the movement of grain That is quite as it should be, but the point I want to make is that it seems wrong—looking to the future and in regard to the capacity of the Indian railways to meet the transport needs of the country—that the whole of the commercial movement should be held up on account of some sort of crisis in this country I therefore suggest, Sir, that in looking to the future there should be a pool of wagons which should be kept for emergency purposes There are lots of things that might happen in this country shortage of food, shortage of coal and difficulties in times of flood, when it is necessary to rush wagons to the various parts that are effected The point is that after the railways have met the demands of commerce and industry in this country, there should certainly be some means of preventing any crisis interfering with the commercial trade of the country I think I have tried to point out in my comparisons of 1939 and 1945 that the wagon miles was about the same The increase of 17½ per cent has now been made up by 30 per cent of more general service wagons in operation today The speed of the trains has certainly slowed down, and I think one of the troubles is that the wagons are not being used as extensively as they should

In order to be constructive, I think that it is necessary that the railways should first of all create a pool of emergency wagons· that it is most essential

[Mr W M. Martin.]

that the speed of the trains should be increased that there should be a quicker turnover of wagons that there should be a strategic placing of wagons so that if they are so placed it means if there are any special demands from any part of India these wagons can get there as quickly as possible in order to relieve congestion

I am going to leave the wagons alone for the moment and to get on to one or other things which are relevant to the Indian railways In the handling of goods a good deal of speeding up is required there I think there is one thing which can be speeded up and we can take a lesson from the war, and that is the use of mobile cranes At present a lorry drives in with its 40 bales of cotton and a team of coolies come along and probably take the best part of an hour or one and a half hours to unload that lorry If one had these motor-cranes, it is more than likely that that lorry would have unloaded in half an hour I think another thing that wants speeding up is the settlement of claims. I notice in the statistics that the time taken to pay claims various from 40 to 188 days An extraordinary thing is that the railway which pays its claim in 40 days has 77,000 claims against the railway 12,000 claims which takes 188 days It looks as if the railway with the larger quantity of claims is more efficient than the railway which takes longer The reason why I mention this question of claims, is, because it does cause a great deal of dissatisfaction amongst the public After all, Sir, it would pay the railway, at any rate, to please a few of the people some at a time If out of 10 claims one is genuine, and it can be paid quickly, then do so and at least have one satisfied customer if you have to keep the other nine waiting

I will now deal briefly with passenger service I do not think there is any doubt whatever that this country has to face up to a very radical change in the manufacture and supply of passenger carriages The project of manufacturing locomotives and rolling-stock in this country is very excellent and very laudable and we are all very glad to see it But, Sir, you or your successor will be shot at for years to come unless something is done quickly to relieve the congestion of the passengers carried I would suggest that it is most important that from somewhere you should obtain as much rolling-stock for passenger carrying as quickly as possible I think the policy should be not what it costs but from where you can get it quickly, whether it is from Russia or the United States of America or any other foreign country it should be got as quickly as possible, until such time as you are able to manufacture all one's requirements in this country

I think there is another important point, and that is that most countries have realized the value of tourist traffic I think in your future programme of carrying capacity you should include the building of observation cars and of saloon carriages which is going to impress the foreigner After all the foreigner comes here to spend money and I think for the good of the country The more that you can attract the better it will be for the state of the finances of this country Therefore, Sir, I repeat that in your programme this should be given consideration

I am going to finish up with a very brief reference to the potential passenger that you are not carrying One presumes in this enormous country, the only citizen who is interested in the railways is the man who lives within hailing distance of a railway There are many millions of potential travellers in various parts of India which I do not think that the rail can ever serve I think that it is most essential that the Railway Board, considering their future plans, should consider as well the development of roads and the bringing in of the development of rail road transport I do not think, Sir, that you need worry about competition The ordinary third class fare on the railway is very much

lower than I think it is ever likely to be on a bus But, supposing for the sake of argument that the railways do feel competition We should remember that every department of the Government is part of a family and where possibly the railways might lose some other part of the Government will benefit, I think, a much larger income will be received from taxation from motor transport Another department will get a tax on petrol, tyres, trucks and licenses, so that if it did come about that the railways lost income due to road transport competition, I think that another department of the Government would make this up I would therefore be interested, if when the Honourable Member replies, he would let us have exactly an idea what he as well as those who advise him feel with regard to the future development of roads in this country and of rail road transport

Sir, I move

Mr. President: Cut motion moved

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

Sjt. N. V. Gadgil (Bombay Central Division Non-Muhammadan Rural) Sir, it is very clear that the present equipment of the Indian railways is not enough for the transport needs of this country That fact has been substantially admitted even by the railway authorities Not only this but in the speech of the Honourable the Railway Member he held out no great hope about meeting adequately the needs in this connection in the immediate future

Sir every country requires an adequate, efficient and cheap system of transport There is a certain optimum which has got to be kept in view and provided for in terms of population, production and trade If such a basis were to be laid down, I am sure the railways of this country will show a great lag, they are far behind the requirements of the country

Mr President, in the course of the last ten years many factors have come into existence, which augment this lag further There has been an increase of population Owing to the war there has been an increase in production also and hence an increase in trade and an increase in employment in the country These four factors are the basic factors which generally determine the needs of the transport system in any country When one looks at our railways and what it has done in the past so many years, I think nobody will accuse the Indian railways at least of efficiency So far as adequacy is concerned, its absence is also an admitted fact I do concede that they are in a way a cheap system of transport But what we are concerned with today is not so much the cheapness of the transport as with its adequacy. In this connection we have seen in the course of this debate and also outside that there has not been enough facilities for the passengers, nor enough wagons to carry the goods from one part of the country to another Ordinarily this state of affairs would have been a little too much to bear but when this country has accepted a system of rationing of foodstuffs and other essentials on a very large scale and practically in the major part of the country, the transport system of this country assumes much more importance Any break down in the transport system means a break down in the entire system of rationing If there had been no rationing the problem of transport would not certainly have become so important Therefore what I am greatly interested in today is to see that at any rate the transport system works in a manner so as to keep the rationing system in perfect order and if possible, to improve it.

Sir, I have said that railway transport facilities in this country are inadequate and so one would naturally look to some constructive suggestions Yesterday, while speaking about the amenities of the third class passengers I suggested that in view of the fact that the railway authorities are unable to manufacture enough coaches in the near future, they should seriously consider requisitioning whatever material may be released or may have been released by the military department and enlist this to serve the passenger traffic I

[Mr N V Gadgil]

do not want to be dogmatic about the particular method of doing it—whether it should be done as a state concern or on the principles of a tripartite agreement to which reference was made by the Honourable the Railway Member or whether it should be left to private enterprise governed by a sort of regulatory system. I am not keen on any of these methods but what I am keen on is that there must be adequate facilities for passenger traffic

In the course of his reply the Honourable Member discussed at some length about the additional purchasing power which at present remains in the hands of the masses and if there is at the same time a sort of rationing of articles or commodities, naturally this additional purchasing power must have some outlet, and he suggested that as a result of this there has been greater resort to railway travel as also to drink and certain other things like visiting cinemas, etc Mr President, you will be surprised to learn that before the war started the excise revenue of the Bombay Presidency was near about 150 lakhs but in 1945-46 it went up to nearly 9 crores and this is because there has been enough purchasing power left in the hands of the working classes In the absence of any good and fruitful source of investment or expenditure part of that purchasing power has been directed towards the purchase of drinks That also is an aspect which has got to be taken into consideration If there are no other ways in which the purchasing power can be diverted, would it not be better to encourage travel? If that is so, is it not then incumbent on the leaders of the country as also the Government of the day to provide adequate facilities for travel? As I said yesterday, passenger traffic has a special significance in terms of a short term solution I again want to repeat, Sir, that thousands of military lorries and cars are available today If the Government is determined to make the utmost use of them it is possible that congestion in the railway traffic may be eliminated to a very great extent. The Government is trying to settle and rehabilitate people who have been demobilised May I not suggest that what they are doing with respect to human elements they may do with respect to the material equipment that may be released as a result of the cessation of war? If a determined effort is made then even in respect of goods traffic the inadequacy of wagons and the consequent occasional shortage one finds here and there may be avoided. The railways, I know, are trying in some places the experiment of running goods lorries I also know in some places—and a reference to this was made by the Honourable Member in his speech—the railways have encouraged what is called railway relief service I again want to repeat that I am not keen on the character of the agency—it may be a straightaway state concern, it may be under private enterprise—but the need of the hour is that there must be enough facilities both for passenger traffic and for goods traffic But if the Railway Member is inclined to look at this problem from a higher point of view I may invite his attention to one aspect of the thing, namely that the railways in so far as they have developed up till now have resulted in the concentration of industries in certain regions Whether it is good or not is another matter But the fact remains that it has raised a number of problems such as housing and concentration of labour, and it is for him to consider whether a policy different from this, namely the policy of dispersal of industries and not the concentration of industries in certain localities and in certain centres is worth pursuing at this hour of the day If he appreciates this part of my argument I respectfully want to suggest to him that for this purpose he cannot have a better agency of transport than the motor transport, because it is possible for motor transport to go into the innermost parts of the country That it will be able to develop markets is an accepted fact It seems there has been some prejudice in the minds of the railway authorities and they look upon motor transport as a sort of competitive transport agency I want to point out that in reality it is not competitive but complementary Even in regions where the

roads run parallel to the railway lines a careful enquiry will go to show that the motor transport system brings more traffic to the railway I do not think that in certain parts of the country railways have been planned with any view to industry or traffic In most of the cases they have been planned with a view to securing internal security In those regions the parallel roads bring more traffic to the railways To be particular I will give an example to the Honourable the Railway Member The M & S M railway line from Poona to Hubli, at any rate that part of it which runs from Poona to Dharwar has been planned in such a manner as not to bring any kind of traffic If he were to see the returns of goods and even of passenger traffic he will find that that is not a paying proposition and if it has become a paying proposition in the course of the last 10 years it is because of the development of motor transport New markets have come into existence because the motor transport is doing better business So, the point is that he may not look upon motor transport as a sort of competitive system It is not an alternative but is an addition Further he will find that it is in the highest interests of the industry, and it will also serve more useful purposes so far as trade is concerned, that he should encourage the motor transport system

Now, in the railway the rates structure is based on certain principles and one of the principles is what the traffic can bear So far as motor transport is concerned that is not the principle The principle that works out there is the cost of service because they have not the so-called overhead charges to bear and they do not make any difference whether the article is valuable or whether the article is merely bulk and of no value In Railway rates structure you have a number of principles When the article is of value you have to declare the value and you naturally ask for a higher rate But the poor lorrywallah, whether you ask him to carry gold or gur, that is jaggery, will charge the same rate because he charges in terms of bulk, and that has encouraged to a great extent trade in certain centres I will give the Honourable Member another example how very costly the railway transport ultimately becomes with the result that commodities which would have been otherwise sold for less have got to be sold for more For example at Telegaon, a few miles to the north of Poona there is a glass factory It is about a mile from the railway station If the factory wants to send its articles from Telegaon to Bombay, it has to take it from the factory to the railway station and from the Victoria Terminus to its godown, and that means additional cost of transport between Telegaon station and the factory as also from the Victoria Terminus to their godowns Imagine, if they have motor lorries, right from the gates of the factory the commodities can be removed straightaway without any tranship to the gates of the godown It means less cost It means less use of human energy with the result that commodities are sold at less price for the consumer I want to bring to the notice of the Honourable Member that, although this year the goods traffic is shown to have been less to a very small extent, hereafter, as he himself will be willing to admit, the traffic will increase If this country is to enter on an ambitious scheme of industrialisation, no industrialisation is possible unless there is an adequate system of transport If it is to run on coal it also means additional facilities of transport More industry means more production, more employment And if employment is more, it is certain that it is only possible if labour is mobile That means labour will move from place to place In other words there will be more travel I therefore submit that even in the interests of his long-term plan he must seriously consider the suggestion that I made yesterday in connection with the passenger traffic and I suggest to him on the same lines that he can requisition Military lorries for goods traffic He has budgeted Rs 1,50,00,000 for investing in the tripartite companies that may come into existence I hold no brief for any existing operators, In fact, I stand for

[Sjt N V Gadgil]

nationalisation I know that in the initial stages there are risks It may become bureaucratic It may be even costly, for I have before me a scheme

12 Noon prepared by the Bombay Government and if it is to run on the present tariff it means a loss of 6 lakhs every year The scheme is merely confined to passenger traffic but if the rates are increased, it is sure to bring additional revenue to the Government of Bombay

Mr President: The Honourable Member has exceeded his time limit considerably He must bring his remarks to a close

Sjt. N. V. Gadgil: I shall do so in a couple of minutes, if they are allowed to me I only want to repeat that although I have suggested this as a short term solution I still believe that out of this short term solution there will emerge a long term solution which will be more successful Sir, I have done

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa, Muhammadan) I have already indirectly referred to the question of capacity in connection with the shortage of wagon about which I was speaking yesterday, which is inter-related with the question of capacity of the railways I did say that you will have to increase the quantity of wagons and the rolling stock to at least 50 per cent , if not more to cope with the needs and requirements of this country at the moment as more later as we have greater prospects in future The Honourable Member stated that they have been working to their utmost capacity That was also the statement given a few years ago by the Honourable Member's predecessor We have seen overcrowding in the matter of passengers and also shortage in the matter of movement of commodities, raw materials, and industrial products The normal channels of trade have been mostly choked owing to inefficient or inadequate supply of wagons In any case the shortage of supply of particular commodities in some centres has been mainly due to shortage in the matter of movements and this has resulted in black marketing in the case of even those commodities which were in abundance at other places It has adversely affected perishable commodities which may have been in abundance at one place and owing to shortage of movement they were either allowed to perish or to be sold at far lesser value than the commercial value and thereby affecting the producers in that area

Speaking of capacity, we have not only got to look to the rolling stock and the wagon position but also to the question of greater number of "Loco motives" and also introduction of double line system or triple line system so that the movements may be easier Even if we increase the number of wagons by two times, we would not be able to move our commodities unless we have the double or triple line system on the most vital areas of the railways In many places particularly in Bengal there is a bottle neck position Even double lines are not sufficient and probably triple lines may have to be laid before congestion can be removed

Even in old India when the population of this country was one eighth of what it is now or even less, the movement of commodities through indigenous boat system was about the same as it is now The rivers provided us with natural navigation by means of the indigenous boat system In those days Patna used to be one of the most important towns for import and export from different parts of India With the advent of the Railways we have not been able to cover even a reasonable proportion of that internal movement as we used to have in the past If you compare the average distances covered by the railway line in this country with the average mileage in other parts of the world you will notice that we are probably short by about 200 per cent or some thing like that We should have by now three times area covered by rail more than what we have today to cover our needs and adequately move our trains to meet the necessity of passengers and trade

Now, as regards motor transport, the matter was very ably discussed by Mr. Gadgil, who gave us the pros and cons of it although he himself feels that nationalisation is the only scheme that would ultimately benefit the country. He has certain views which he has placed before this House I feel that motor transport has to be nationalised from the very beginning because the freight rate structure has got to be based on a certain uniform policy As Mr Gadgil pointed out that in the case of private motor transport, the freight rate structure is based on mileage and weight and nothing else, the rate for coal and sugar being the same for the same distance The Railway freight rate structure has got to be based on many other considerations and unless the road transport is also nationalised, it may not be possible to carry on the same rate structure by this or that system of control It may be argued that by controls or by legislation we can compel certain rate structure policy by motor transport as well but we all know what is the fate of so many controls in this country, how black marketing has been rampant and if you allow things to be abused, this would be going on on a larger scale I want to impress on the House that with the increase of the capacity of the railways it is necessary that co ordination has to be maintained with the motor transport and for this we must have nationalised transport Whether the interest of the Railways should be 30 per cent or 80 per cent or 50 per cent in the motor transport business, I am not concerned I thought at first that 100 per cent interest should go to the Railways and Railway as co-ordinating Motor Transport service should be nationalized to have smooth working in this country But later on we had many other considerations and we know the policy that we have decided and on which I need not dilate any further I will only say that the Honourable Member should appreciate the fact that in the conditions in which we are and the prospects that we have for this country, we may be able to become a leading country for the whole of Asia and even Europe in commerce and trade as a whole We have got to increase our capacity tremendously We cannot continue our trade and the development of industry with the limited resources and capacity of our railways as we have them today Even if we double the number of wagons, it would not solve our problem As I said the question of laying down lines and thus increasing the rail mileage is also very essential With these words I support the motion

Mr Geoffrey W Tyson (Bengal European) Sir the case of trade and industry has been very eloquently put before the Honourable the Railway Member for the last two days and I can only assure him that so far as I am concerned he is now coming to the end of his long ordeal on the Railway budget Various speakers have drawn attention to the needs of industry and the needs of commerce They are cogently expressed in the conclusions in one of the Chapters of the Indian Coalfields Committee report where it is pointed out that if their suggestions should result in a net increase of an output of coal of 11 million tons by 1956, a great many more transport facilities will be required I take it that those are the recommendations which the Honourable Member in charge of the Department is bearing in mind The Coalfields Committee goes on to suggest that a high power inquiry should be initiated to go into the entire question of rail transport facilities, not merely for coal traffic but for all traffic and the last of their recommendations is the one which was emphasised by my Honourable friend Mr Martin this morning when he said that the speed should be increased Those are all recommendations in general terms and as they come from a body like the Coalfields Inquiry Committee, I am quite sure that the Railway Board and the Member in charge will give them their appropriate weight They are all long-term recommendations What we are concerned with, and particularly concerned with in the moving of these cut motions, is to draw attention to problems which affect us in the short run of things which are taking place now

[Mr Geoffrey W Tyson]

A few days ago I remember listening to some questions, and some supplementary questions in this House about the match shortage in Delhi. The match shortage in Delhi may seem to be rather remote from this special cut motion, and the questions that were put and the answers that were given on that occasion certainly related to the distribution aspect of the matter But my inquiries and my information suggest that distribution is not the only cause of such an important thing as the match shortage Actually, the shortage began at the factories, and the factories difficulties were related to the very subject which we are discussing in connection with this cut motion this morning The factories in the match industry are dependent for their principal source of supply upon *simul* timber, most of which is grown in northern Bengal and, also I believe, in Assam Early last month before I came to Delhi, I was informed in Calcutta, in answer to some inquiries that I made, that a number of match factories had been obliged, by reason of the shortages of *simul*, to close down their works for periods varying from one to three weeks I was also credibly informed—I put this forward with some reserve but in good faith—that the shortage of *simul* coming to the factories was in turn due to a shortage of wagons on the Bengal and Assam Railway, where at the beginning of January, I was told, no less than 1,800 tons of *simul* was reported to be lying at various railway stations awaiting transit or transport to the factories, which, as I said, were either closed or were working on short time The obvious result of this was that the workers were laid off and their wages were lost either in part or wholly The earnings of the companies concerned were down and the profits of the shareholders were correspondingly reduced, and we come back to the proposition that Delhi and other cities were going short of the essential article like matches Now, Sir, the shortage of wagons was given to me as the reason for this state of affairs in one relatively small industry, which I have quoted But it was also suggested to me by people in the trade that the shortage of wagons was more apparent than real I was told that however irregular the movement of goods was, there was a very regular traffic in wagon permits in that part of the world and that the whole situation required investigation at a fairly high level The suggestion that was made to me was that local stationmaster in the matter of wagon supplies is a good deal more of a tyrant than the Railway Member himself or the Railway Board I do not know how far that is true, but it does seem to me that there is a case for closer examination of this matter As my Honourable friend the Mover of the cut motion emphasised this morning, there are long and short term aspects of this subject One aspect of the long-term consideration is to be found in the recently published report of the Indian Coalfields Committee The short term aspect is, I suggest, an overhaul to look into the grievances of relatively small but important and essential industries This is just as important as adding to the wagon supply It is urgent and essential that wagons should be used to the best purpose, that distribution should be fair and that those concerned in arranging distribution should be seized of the importance of the duty which is entrusted to them Sir, I support the motion

Pandit Lakshmi Kanta Maitra (Calcutta Non-Muhammadan Urban) Sir, this cut motion raises issues of very vital importance to the question of the development of the potential resources of this country. The question is how far the capacity of the Indian railways is sufficient to meet the growing needs of the country. The Government of India has got an elaborate scheme of Post war re-construction in this country in its various Departments Naturally, therefore, the greatest strain must be borne for this purpose by the railway systems in India I think the Government of India have now realised that for all schemes of future construction in India they have got to be careful among others about four things There is in the first place shortage of coal, then the shortage of steel, then there is the shortage of cement and then shortage of bricks and building materials. Now, Sir, if the Honourable Railway

Member will kindly analyse the cause of these shortages he will find that his railway is the primary cause of all these shortages. The failure of the railways in India to face up to these growing needs would ultimately be responsible for all these shortages The problem is a very big one and it is not possible to touch upon all its aspects within the space of ten or fifteen minutes I will therefore confine my observations to one or two points which I think are of the utmost importance I will deal with the question of supply of coal We are all aware of the crisis which U K is passing through now on account of shortage of coal Does the Honourable Railway Member realise that a similar crisis threatens India, stares India in the face unless the resources of the railway are harnessed immediately to coal supply in this country? What is happening at the moment? During the war, the railways were called upon to carry very heavy military traffic but now that the war is over, we all expect that the railways would be able to place enough wagons at the disposal of civilian traffic so that the necessaries of life could be obtained Unfortunately we are even now passing through the same shortage of wagons as during the war period I do not know if the wagon-capacity is being utilised to the full It is for the Honourable Member to say But there is enough scope for criticism that the capacity of wagons is not being utilised to the full at the present moment There are bottle-necks at different parts In the collieries, we find a sort of differential treatment going on in the matter of wagon supply. I have received telegrams, and I think some other Honourable Members also have, from the coal fields of Bengal and Bihar, that for months on end they have not received any supply of wagons It is not the case that we are not raising enough coal, let there be no misconception about that There is no trouble about raising of coal, there is no shortage of mining labour,—enough coal is being raised,—but the difficulty is that coal cannot move from the centres of production to distribution areas for want of transport That is the main trouble These wagons are being distributed under different schemes of priority I respectfully beseech the Honourable the Railway Member to go into this scheme and examine whether these priorities have been properly established I may tell this House that the smaller collieries in Bengal and Bihar have so far supplied the normal domestic requirements of coal for the greater part of the year Now, these collieries have not got storage facilities They take out coal and send them straightaway to railway stations to be transhipped in wagons My information is that for months past these smaller collieries have not been supplied with any wagons at all What is the result? The result is acute shortage of fuel in this country Honourable Members are aware of the position in the city of Delhi a few days ago with regard to coal I am just informed by a communication that during the last ten or twelve days, coal is being distributed at the rate of five seers per family in Calcutta and you are left to wonder why Calcutta being on the very doorway of coal fields, with three huge railway systems traversing the country—the E I R, the B N R, and B & A railways, should at all suffer for want of fuel Everywhere the fear is expressed that the industries are going to be closed down for want of supply of coal My Honourable friend Mr Tyson just now remarked that there must be something hidden somewhere, that somebody is blackmarketing in wagons and that therefore the whole situation required to be investigated I submit that the fact must be squarely faced All your schemes of post-war reconstruction will prove abortive unless you tackle the question at its source and that source, I maintain is the supply of transport and the only transport that we can think of in the present scheme of things is the railway transport Sir, these collieries make a grievance that even during the war Grade III-A and Grade III-B Coal used to be consumed by railways with quite satisfactory results and even in certain industries, Grade III-A and Grade III-B coal are used Why have the Railways suddenly stopped this? The result is a still more limited supply of coal of all grades, largely brought about by railways

[Pandit Lakshmi Kanta Maitra]

and big industries This must be looked into I would also suggest to the Honourable Railway Member for his consideration whether the Group system which used to obtain two or three years ago and under which small collieries would usually get the supply of wagons by a process of rotation, should not again be introduced now If that system could be adopted, I am sure we will get adequate supply of domestic coke and our small industries would also get their supply of coal I am not unmindful of the fact that under any scheme of priority, the railway loco department, the defence department, iron and steel works, rice mills, *atta* and flour mills, all these important and basic industries should have the first claim But after these claims are satisfied, I maintain that the scarcity of wagons should be equally shared by the rest of the industries There should be no discrimination in favour of any particular industry or against any other That policy of discrimination cannot be defended now on any ground Formerly the ground was effective prosecution of war That ground is no longer tenable Therefore, I feel that the Honourable Member would do well to go into the whole question and see that even with the limited supply of wagons at his disposal there is a fair and equitable distribution to all the collieries and industries Above all it will not do to forget that the vast people in this country are the consumers of coal who have got provincial quotas which must be met The present fuel situation in the country is simply awful and this problem must be looked into from all points of view You must tackle that with all possible seriousness Sir, just now I receive a representation from the Brickfields owners Association in Bengal They have got a doleful story to tell I am informed that they have addressed several letters to the Honourable Member's Department during the last three or four months The position is this The Deputy Controller of Coal sanctioned certain quota for brick manufacture in Bengal so that the work of construction which had been in arrears during the war might be taken up in right earnest without delay But curiously enough from the month of November right up to February, 1947, not a single wagon has been supplied for transport of coal to the brick fields in Bengal The brickfield season in Bengal and Bihar begins from December and continues till May Now the season is in full swing, crores of bricks have actually been manufactured but they could not be burnt for want of an ounce of coal I ask my Honourable friend to realise what this means I am further informed that due to showers recently, these brickfield owners have already suffered tremendous loss If the unburnt bricks cannot be burnt for want of coal it means all waste and loss You can imagine what the position is going to be in the matter of repairing buildings and new constructions My province of Bengal had to bear the brunt of the last disastrous war and for seven long years all manner of construction had been held up there And coming from the city of Calcutta I can tell the Honourable Member that the people there are badly suffering for want of coal There is urgent need of essential repairs and reconstruction of damaged houses and construction of new ones, as Calcutta has now got a population of nearly 50 lakhs for many of whom there is no accommodation The insistent demand is for building materials and the first building material for any scheme of construction is bricks If for three months you withhold the supply of coal with which to burn bricks and if in this way another month or two passes the whole season for brick making will be over The result will be that for the next 12 months there will not be one single piece of brick with which to construct a house or make essential repairs It is not only necessary for private persons but also for railways for building platforms, sheds and other constructional purposes This will have a very adverse effect not only on the question of reconstruction but also on labour The labourers now engaged in the brick field would have to be discharged because unless there is immediate supply of coal they cannot be indefinitely maintained So there will be

labour unrest Thus I come to this basic fact that ultimately the railways become responsible for the shortage of building materials and for the shortage of things with which to reconstruct this country The railways would also be responsible for the shortage of fuel and for any crisis that may follow in its wake I again maintain that there is absolutely no shortage of coal now in this country There has been enough raising and the coal that is being raised at the pitheads every day is enough to meet the requirements of the whole country But there must be some bottleneck somewhere where things are getting stuck up, and it is for the Honourable Member to find it out I also submit that he should revise the scheme of priorities and make certain re-adjustments and direct the Divisional Superintendents to send here regular weekly reports as to how they dispose of the wagons that are placed under their charge Unless he personally looks into the question of wagon supply I am afraid there is very little chance of carrying on any scheme of post-war reconstruction

Sir, I support the motion

Babu Ram Narayan Singh (Chota Nagpur Division Non-Muhammadan) Sir, I support this motion and all that has been said in support of it and I specially support every word that has fallen from the lips of Honourable friend Pandit Maitra Sir, I represent the colliery area and I have also received a telegram that the coal production is all right but only for want of wagons there is fuel famine in the country There is a great complaint regarding discrimination, and everybody knows that discrimination is the result of corruption Everybody has stressed the point—and I also do it—that the Honourable Member should go into this personally The position is that the small colliery owners are not in a position to move their coal from the production centre to the place of distribution, and the result is that small colliery business is failing And we must see the result of that Experts say that business follows mails, wherever there is means of communication there business flourishes I am unfortunate enough to belong to a tract which is still called a backward tract In my province of Bihar almost every district town is connected with a railway line but my own district of Hazaribagh has not yet got a railway line The backwardness of a tract results very much from want of communication, if there is enough communication the area is developed in anyway In my part of the country there are millions of people who have never seen a railway train With regard to railways I do not find that Government have ever taken the initiative Companies like the E I R or the B N R have constructed these lines and Government have later taken them over, they took no initiative themselves I will not go into details but I have received news personally from Jharia and Dhanbad as regards lack of wagon supply and I hope the Honourable Member will see that every colliery owner gets a wagon If the supply is insufficient they should get them in turn, as suggested by Pandit Maitra Sir, I support the motion

Maharajkumar Dr Sir Vijaya Ananda (United Provinces Landholders) Sir, I rise to support this motion and endorse every word that has been said so far Much has been said on it and I suppose there is very little for me to add Nevertheless I wish to emphasise one or two things for the information of the Honourable Member in charge In an article written by Mahatma Gandhi he said that India lives in her villages because 90 per cent of the Indian population is in the remotest parts of the country Sir, it is very necessary that we should have more and more railway lines laid out in the interior For instance, I happen to come from Kashi and I have seen thousands of villagers coming there from distant places on occasions like *Grahana* or other occasions when they have to take a bath in the Ganges We in India are very superstitious and in every part of this country we have these annual or periodical baths To see the misery of these people who walk long distances without shoes breaks one's heart It is very necessary that we should, in our scheme of expansion, have lines running into the remotest parts of the country For

[Maharajkumar Dr Sir Vijaya Ananda]

instance, in the forest areas where Bhils, Gonds, etc live, I have come across these people and they complain bitterly that to get to a city even for medical aid they have to walk thousands of miles For moving our agricultural product it is very necessary that we should have loop-lines especially in those areas where it is not possible to have bus services so that the grains could be moved to cities In this connection I wish to bring to your notice that in my opinion the Bengal famine in which millions of lives were lost was not entirely due to lack of food but it was partly due to lack of transport facilities Had there been smaller trains running in to the interior, whatever little food was available might have saved a number of lives

It should be our first and foremost consideration to have more and more third-class compartments We are told that we should shortly be seeing third-class compartments on exhibition I submit, Sir, that the time for exhibition is over, and that we should have hundreds and thousands of third-class compartments, and within a year all our difficulties should be removed

As regards motor transport, I do hope that the Government will expedite this programme and will arrange to provide motor transport in the remotest parts of our country

With these few words I resume my seat

Mr. P. B. Gole (Berar Non-Muhammadan) Mr, President, Sir, the subject matter of this motion is really a very important one and it can be looked at from several points of view It has already been remarked that the present capacity of the Railways is not sufficient to meet the demands of the travelling public or even of transport, and several kinds of difficulties and inconveniences are being experienced by the people and also by the industry Why this is so? The only excuse that the Railways have so far been putting forward is that on account of military traffic the whole transport system of the railways has been disorganized and unless the wagons and coaches which are with the Military at present are released by them it is not possible for the Railway to arrange traffic as they were doing before Let us take into consideration the time that has elapsed since the war is over Nearly two years have passed and still the disorganization that was caused by the war has not been set right, and still the excuse put forward is that the military authorities have not released a sufficient number of wagons to admit of reorganisation of railway traffic I do not accept this excuse at all I am aware that many coaches in the military specials which are running between Bombay and Calcutta and Delhi and Bombay remain empty Surely the Railway can take notice of this and ask the military authorities to release half the coaches for general civilian traffic But, Sir, I know that during the last six months no attempt has been made by the Railway authorities to see that more wagons and coaches are made available for the civilian traffic I will give you an instance which shows complete want of imagination on the part of railway authorities Between Nagpur and Bombay there was formerly a mail train, an express train and there were three passenger trains between Nagpur and Bhusawal with connecting trains from Bhusawal to Bombay After the war started the number of trains was curtailed on this section There was only one mail train between Bombay and Nagpur, and there was only one passenger train between Bhusawal and Nagpur without any connecting train between Bhusawal and Bombay Since the termination of the war several train services have been restored, but curiously enough although people have been clamouring in this area for more trains nothing has been done The G I P Railway have been giving us the excuse that military coaches have not yet been released, but I was really surprised at the want of imagination on the part of railway authorities there. Between Bhusawal and Wardha they have introduced a small shuttle train You will probably remember, as you have travelled on that route, that there is

a through railway between Bhusawal and Nagpur. This shuttle train curiously enough is made to stop at Wardha, and passengers are stranded at the Wardha Railway Station, they have to wait for hours in order to reach Nagpur which is 50 miles from Wardha If this shuttle train could run from Wardha direct to Nagpur it would be far more convenient, but the railway authorities do not seem to have any imagination whatever

So far as traffic in goods is concerned, the railway authorities must have some sense of proportion if priority As has been observed by my Honourable friend, Pandit Maitra, coal is a necessary fuel not only for industry but also for household purposes. We in Delhi have been suffering from the shortage of coal, and still the Railways would not give priority to this thing and make arrangements for its transport to the various places where the shortage is very acute I will give one instance Glass industry is growing rapidly, but many glass factories, which happen to be in the Bombay Presidency, had to stop work for want of coal Bombay is a port where all sorts of foreign goods are being dumped today, and unfortunately these glass factories had to close down on account of the shortage of coal I learn that the railway authorities are not able to transport coal from the pit heads to the destination, when there is enough coal to meet the needs of India as a whole I hope the Honourable the Railway Member will take note of this and will take steps to supply coal for the basic industries of the country as well as for other requirements Another matter with regard to these glass factories about which I have received many complaints is that the finished articles are not being transported Priority is given to such unessential goods as *Biris* Now, when there is a great demand for glass, because metal is very dear and glass is being manufactured on a larger scale than before in India, still it is not being transported You probably know, Sir, that these glass factories are even willing to send this glassware by railway parcel but the railways will not accept any parcel of glassware at all They insist they would only have bookings by goods train and therefore glassware cannot be sent by parcel and the Railway would give preference to *Biris* The railways have also to help in the industrialisation of the country and they have to see that the industries are not starved The glass factory is an instance in point It is really a new industy so far as India is concerned The glass industry is flourishing It is the duty of the railway authorities to see that coal is supplied to these factories It is also the duty of the railways to see that the finished article of the glass factory is given preference and sent to its destination I know the Honourable Member in charge of railways is anxious to see that priorities are, as far as possible abolished I entirely agree with him on this point He has also introduced a Bill which will shortly be passed into law, where the number of priorities has been very much curtailed But even then with regard to the other goods, I think some discretion ought to be exercised by railway authorities in giving not so much priority—because I am against priority—but in remembering that those basic industries which are in need of railway wagons must first be supplied with wagons I will cite two instances of which complaints have come to me about the glass factory in Jubbulpore and the glass factory in Gondia I hope the Railway Member will take this into consideration and see that the glassware prepared in these factories is allowed to be taken to its destination by giving sufficient wagons

Then I come to a very important question so far as the capacity of the railway to supply transport is concerned You probably remember that railways are after all public carriers They are governed by the Contract Act, although they have certain exemptions under the Railway Act But the liability of a public carrier must never be ignored by the Railways Supposing the Railways Act and the special exemption that has been framed by the railways were not in force and the Contract Act ruled, in that case on account of the inconveniences suffered by the passengers thousands and lakhs of suits would have

[Mr P. B Gole]

been filed for damages against the railways They take shelter under a certain protection provided under the Railway Act, but as public carriers it is their duty to see that whatever they are paid for they must give proper service for it Take the case of time The trains arrive late I know of accidents I know also that the late coming of the trains has become an order of the day This ought to have been mended That shows that the railway authorities do not realize their responsibility as public carriers in carrying goods or passengers to their destination

One question to which I wanted to refer was in connection with rail-road co-ordination I am really surprised Somehow or other in this planning, we are [illegible] at the wrong end We are out to nationalise the road transport system and co ordinate it with the railway I know that that will be the position if the Railway Member properly examines the rail-road co-ordination scheme As soon as the private operator is out of the field, the railways and the provinces will come forward for enhancement of rates Today for instance they are charging six pies per mile for motor transport The operators have asked not to charge more As soon as it is taken over as a nationalised industry and the railways begin to take part in it, you will find, and I know it is quite in the being, that the rates will be increased because they will say that the cost cannot be met The two companies which were started on this basis in Nagpur have suffered and they have not been able to distribute any dividends to the shareholders Before taking up this nationalization of rail-road co-ordination [illegible] the first thing the railways should consider is from where are they to get all his fuel If they had considered this properly, then this oil question [illegible] the whole world politics would have shown them that the oil question must be first tackled Electrical power alcohol ought to have been produced from the molasses No attention has been given by the railways and provinces as to how to manufacture power alcohol Unless that is done, I think we will be importing motor cars and petrol for them and depend upon foreign countries for their supply

Sri S T. Aditya (Madura and Ramnad *cum* Tinnevelly Non-Muhammadan Rural) Charcoal can be used for gas

Mr. P. B. Gole: But that even is not available at present First of all we must have fuel for motor cars and we must have lubricants Until we can get all this, it is better that they should be in the hands of operators on whom you have already put an amount of restriction on account of the Motor Vehicles Act You are also amending that I do not think the time has come for nationalisation of that industry and for the railways to take it over Under these circumstances I hope the Honourable the Railway Member will take these into consideration and before putting into practice this rail-road co ordination scheme, he will put his Railway house in order, see that railways meet the demands of the public and also first nationalise those industries which are the key points in the motor industry Unless that is done, it would be putting the cart before the horse in taking up as a national industry the rail-road co-ordination scheme

The Honourable Dr. John Matthai (Member for Railways and Transport) The Honourable the Mover made a very carefully considered speech on the difficult and varied problems connected with the question of transport He asked me at the beginning of his speech whether I could give any estimate of transport requirements in this country over a long-term basis and over a short-term basis and how far the railways would be in a position to meet these requirements These of course are very difficult questions

Taking first the long term transport requirements of the country, as I look at it it is going to be bound up very much with the manner and pace of economic development in the country during the next decade There are still various

circumstances which make it difficult for us to undertake planning on anything like the scale which the requirements of the country demand Unless we have a fairly clear picture of how the economic development of the country will proceed during the next few years, it is difficult to say what the transport requirements would be, because the two things are very closely linked together

1 P M

My Honourable friend asked me particularly about passenger traffic I said yesterday that the increase in purchasing power had a good deal to do with the increase in passenger traffic I believe that is true The Honourable the Mover asked me what is likely to be the position when the present inflationary position has begun to relax That again is a difficult question and I should not like to commit myself to any definite statement about it But the way I am trying to visualise the situation is this As a result of the impetus to railway traffic which has been given by increased purchasing power the habit of railway travel has grown I think once that habit has been formed, as a result of whatever circumstances, that habit is not likely to disappear, so that, irrespective of the question of purchasing power, I think railway travel is going to be on the increase and whatever plans we make have to be made on that basis

Practically all the problems which have been raised this morning have centred on the short term position I do not want to disclaim our responsibility for meeting the present transport difficulties but I think it is necessary that the House should realise that the problems which have been thrown up during the aftermath of war are in many respects more difficult than the problems which arose during the period of the war itself That, I think, has been the experience of most countries both in respect of this war and in respect of the first World War If therefore we have not been able, within a period of 18 months, to rectify the railway position to the satisfaction of the public, the House ought to realise that there have been inherent difficulties resulting from the very situation in which we find ourselves

My Honourable friend Mr Martin asked me with reference what I said about the heavy movements necessitated by the import of foodgrains and the heavy concentration of wagons in port areas, whether something could not be done in the way of organising an emergency reserve The idea of an emergency reserve is a sound one but when at a time like this when you have to face half a dozen emergencies simultaneously, it is not easy to work it out In the course of the discussion today, the food question has been raised, the coal question has been raised, the match question has been raised, and the glass question has been raised and if I am to provide an emergency reserve for all these, it would be entirely beyond my resources I think the Honourable Member's suggestion would be a useful one to keep in mind under more or less normal conditions I propose to keep in mind the two principal suggestions that he made, *viz* , that we should aim at a quicker turnover of wagons and that we should aim at a strategic placing of wagons

The general question has been raised, in view of the fact that traffic has increased both in respect to passengers and goods, why don't we increase the number of wagons, coaches and locomotives We are doing our best under the present limiting conditions We propose to make the fullest use of the indigenous manufacturing capacity in respect of all these three forms of rolling stock The only way in which we can supplement indigenous manufacturing capacity is by importing I think that in regard to the extent to which we have been able to supplement the indigenous resources of the country by imports from abroad during the war period of locomotives and other forms of rolling stock this country has been more fortunate than many others It was a difficult time during the war with regard to manufacturing industries, particularly industries manufacturing capital goods in other countries Looking through the figures since I took charge of the department, I have been surprised at the

[Dr. John Matthai]

extent to which we have been able to supplement our indigenous resources by imports

Looking to the future, my opinion is (and I have no doubt the House will generally agree with me) that we should not think of importing rolling stock unless we are assured that the indigenous manufacturing capacity has been fully utilised and also that the possible increased in that capacity if necessary has been taken into account We want in the next few years to make the fullest possible use not merely of our existing capacity but also of our potential capacity If beyond that, it is found necessary, in view of the requirements of large railway development that we have to get rolling stock from abroad, we may be faced with serious difficulties There is the question of the extent to which manufacturers abroad can spare capital goods at this time for export There is next the question of the foreign exchange which is likely to be available to us There is also the question of shipping As I said, my first consideration would be that the fullest possible use should be made of the indigenous resources

My Honourable friend raised the question of tourist traffic I am interested in the idea of tourist traffic not merely from the railway point of view but from the general economic point of view There is a great deal to be said for encouraging tourist traffic, because it is not merely going to provide more business for our railways but it will, I believe, also provide more employment in the country I should therefore welcome the idea But the question of tourist traffic is not merely that of providing railway facilities it is bound up with a number of other questions, for example, the kind of hotel accommodation that we can provide in the country today, especially for tourists who come from countries with a high standard of living like the U S A I believe unless we can take in hand a comprehensive plan which includes not merely the question of transport facilities but also the question of residential accommodation I do not think that we shall get very far with it

Then, Sir, the now familiar question of rail road transport has again been raised I have spoken so much on this question that I am disinclined to say anything more But since the question has been raised by several speakers this morning, I want to say once more that we have no intention whatsoever of preventing the expansion of road traffic On the other hand, I believe it is to the interest of the railways to develop road traffic, because in the end the development of road traffic, will help the development of railway traffic But that is no argument against the principle of co ordination After all transport is one aspect of economic development and if it is agreed that planning implies the idea of co-ordination, then it seems to me that the development of transport must be based on co-ordination When you are trying to develop such an important economic activity in the country as transport you cannot do away with the idea of co-ordination which is the central idea of every arrangement that Government has put forward We have been told by some speakers that the idea of nationalising motor transport is an unsound one while others have said that this is precisely the line on which we should proceed As far as I am concerned, I have an open mind on this question of nationalisation of motor traffic or of any other kind of industrial undertaking My feeling with regard to general issues like nationalisation, protection and so forth is that you cannot lay down a general principle of universal application These questions have to be considered with reference to the particular circumstances of each industry If you find in respect of any industry that nationalisation will spell rationalisation, then you can go ahead with it If it is ultimately going to increase efficiency and reduce costs, then by all means proceed with nationalisation If, on the other hand, in the circumstances of a particular industry nationalisation will work differently, then don't undertake That is my view of the problem The general arguments that have been put forward today do not appeal to me

My Honourable friend Mr Tyson raised the question of match factories I think he was right in referring to the match industry It has a good deal of bearing on the point raised by my Honourable friend Mr Gadgil, namely dispersal or regionalisation of industries and the extent to which railways can contribute to it I think the match industry is a typical case of an industry which should be regionalised or dispersed but has not been, partly I think for reasons of difficulties of transport That is an industry which depends for its essential raw material, namely wood, on parts of the country which are very far from where the factories are Of course, as the House knows, our great factories have started almost invariably in the port areas The market was there, the labour was there and also various other matters that help the development of industries Since then it has been a practice whenever new industries have been started to think of locating them in the port areas in the first instance To some extent the way in which railway development of the country has proceeded has helped it It is necessary hereafter to keep this idea of regionalisation in mind, and I agree with the general suggestion that it is one of the responsibilities of railways to see that that idea is carried forward

Sir, a good deal has been said about coal My Honourable friend Pandit Maitra particularly referred to this question I am well aware that the coal position at present is pretty serious I am aware also that the question of transport is closely linked up with the situation and probably to some extent accounts for it, because, as Pandit Maitra pointed out, if you cannot provide sufficient transport in time, raisings are curtailed Unless coal raised can be promptly transported raisings would be reduced We in the Railway Department are well aware of the position, and we are doing all that we can to meet the difficult situation which has arisen in connection with the coal industry That is as far as I can carry the matter at present I want my Honourable friends who are interested in coal to know that the Railway Department is well aware of the position and is seized of it, and we are impressing on the Railway administrations immediately concerned with the transport of coal to do everything in their power to speed up despatches of coal

Mr. President: The Honourable Member may resume his speech after Lunch

The Honourable Dr John Matthai I have very nearly finished, Sir My Honourable friend Mr Gole raised the question of the coaches which are still on loan to the Defence Department It is not that the Railway Department is not making every effort to get these coaches back It is possible that instances of the kind he has mentioned have been happening But we are impressing almost every day on the Defence Department the importance of having these coaches returned to us, and as far as effort on our part is concerned I can assure the Honourable Member it will not be lacking He ended up his case against the Railway Department by stating that railways generally lack imagination in dealing with the difficulties of transport What the railways lack, Sir, is not imagination but straw with which to make bricks

Mr. W. M. Martin: In view of the statement made by the Honourable Member, I beg leave of the House to withdraw the motion

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

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

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The Assembly re assembled after Lunch at Half Past Two of the Clock, Mr President (the Honourable Mr G V Mavalankar) in the Chair

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DEMAND NO 11.—WORKING EXPENSES—APPROPRIATION TO DEPRECIATION FUND

The Honourable Dr. John Matthai: Sir, I move

"That a sum not exceeding Rs 15,53,66,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Working Expenses—Appropriation to Depreciation Fund' "

Mr. President: Motion moved

'That a sum not exceeding Rs 15,33,86,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Working Expenses—Appropriation to Depreciation Fund' "

Depreciation Fund in relation to the whole question of Railway Reserves and the Railway Separation Convention

Mr. M. A. F. Hirtzel (Bengal European) Sir, I move

"That the demand under the head 'Working Expenses—Appropriation to Depreciation Fund' be reduced by Rs 100"

I should like to explain that I appreciate that the Honourable Member did make certain remarks on this subject in his reply to the general discussion on the Railway Budget and it might have seemed that perhaps enough had already been said on that point We on this side however felt that this matter which we have always taken a very great interest, is one of vital importance to the railways and we thought it was very desirable that we and the House should have an opportunity of a further discussion, more particularly as this may be the last opportunity that we shall have for such a discussion if the Honourable Member is going soon to set up a Railway Convention Inquiry Committee That is the reason why I have moved this cut motion

Under this head I should like to deal briefly with all the three reserve funds with which we have to deal, namely, the Depreciation Fund the Reserve Fund and the Betterment Fund Taking first the Depreciation Fund I would like to quote to the House, in order to make the point clear, the remarks made by Sir Arthur Lowes Dickinson in his 1927 Report on this subject He said

"There is much to be said for the view that the railway property should be handed on from year to year intact, i e, properly maintained in its original state and the cost of this met out of earnings before net earnings are employed for any other purpose

That, I take it, represents fundamentally the object of the depreciation fund and we were encouraged by the views to which the Railway Member gave expression on this subject when replying to the general debate

Now, Sir, the attitude of this House recently in connection with the increase of rates and freights has rather tended to be something like this As a result of the war we are very well off so why should we not postpone any further laying up of reserves until they seem to be more obviously necessary The answer to that is I think the answer that the Honourable the Railway Member gave—that it is very desirable to err on the side of caution In fact we cannot say that we are very well off, because it is extremely difficult in fact impossible, with the materials at present available to estimate what the actual position is Take for instance, the Depreciation Fund which now amounts to a sum of more than Rs 100 crores It is useful to remember in this connection that no provision has been specifically made in the past for arrears of depreciation which were estimated to amount to Rs 20 crores by the Depreciation Committee in 1922 Those arrears were depreciation which should have been provided on the company owned lines but for which under the rules then in force no actual provision had been made Further when those companies were acquired by the State, they were acquired on the basis, I think I am correct in saying of their earning capacity That was the basis which had been laid down in the contracts They were acquired not on the basis of the value of the capital assets but on the basis of earnings—which means that in fact a considerable premium was paid over and above the capital outlay, which represents what is known in commercial terms as goodwill Now that sum was estimated to amount to about 43½ crores of rupees We thus have two liabilities amounting in all to over 60 crores of rupees which have not yet been specifically provided for and it appears to us that in seeking to estimate what the value of our Depreciation Reserve balance of 100 crores is at the present time, we must take into account factors

of that kind Now, again, the attitude of the House today differs very materially from the attitude of the House some years back Various members, I think, who are still members of this House today, took part in the battle that raged, I gather, with a certain amount of intensity when it was suggested that the loan that the Railway Board had to take from the Depreciation Fund in the years of depression, which, I understand, amounted to a sum in the neighbourhood of 50 crores of rupees, should be written off altogether It was the view of the Government at that time or it was the original proposal of the Government at that time that the railway revenues had got into such a serious state on account of the depression that they would never have any chance of making good that liability, and the Government of the day proposed to this House that these liabilities should be written off Now, the House at that time, I think very wisely, particularly in the light of subsequent events, decided that it would be a mistake to write off those liabilities altogether and they should be allowed to stand I won't seek to enter into the considerations which may have guided the members of this House at that time in fighting that battle Anyhow, it was a proper principle and one that we on this side of the House would like to see being adhered to today Well, Sir, as I said, the importance of this fund was certainly recognised at that time But the history of the past 20 years or more has not been, in fact, very encouraging There have been continuous and repeated attempts to tackle the many problems which remain outstanding regarding the Depreciation Fund, and there has been nothing, in fact, but continuous postponement for various reasons ever since Sir Arthur Lowes Dickinson presented his report in 1927 Those delays we regard as very unfortunate Against them we must, of course, place the fact that there has been a considerable accumulation of experience Something like, I suppose, a dozen bodies or persons have formally held inquiries into the subject and have delivered themselves of formal reports, and certainly the work that has been done on the subject has not been entirely wasted Amongst the views which have been expressed at various times over that period of 20 years, the latest perhaps was that of Sir James Grigg, who recommended that in dealing with this subject of the Depreciation Fund we should apply a spirit of "enlightened empiricism", leaving accounting free from the shackles of a "pseudo-scientific" attitude I confess that the authority is a great one but I am inclined to suspect a Finance Member when he is offering advice to a Railway Member and I think it is probably a mistake for us to suppose that these matters can be left simply to an enlightened empiricism That savours to me of a larger application of expediency than circumstances, in fact, warrant It was exactly expediency which drove us into shelving all these problems and raiding the Depreciation Fund until we had drawn on it to the extent of 50 crores of rupees I think a more satisfactory attitude is that exhibited by the Interstate Commerce Commission, a short paragraph of whose I would like to quote In one of their reports that for 1931 they wrote

"The purpose of accounting is to record the essential financial facts with respect to the property and its operations Most of these facts can be ascertained with precision, but not all of them It is not a sound principle of accounting that facts of the latter kind should be disregarded Obviously the record will be closer to accuracy if they are approximated as nearly as may be Depreciation is a fact of this type It cannot be ascertained with precision because the future cannot be foreseen with certainty, yet it is a part of the cost of operation Accounting fails of its purpose if it does not supply the best available information with respect to this or any other similar fact"

We think that that represents a more desirable attitude than the attitude of enlightened empiricism We should like to see—and we can now hope to see them shortly—the actual facts regarding the state of our capital account and the Depreciation Fund revealed to us in a report from the Government side

Well, Sir, the problems involved might be briefly enumerated I do not want to take too much time of the House, but it is useful, I think, just to touch on some of the problems involved, which appear to me to fall under the following heads

[Mr M A F Hirtzel]

First of all, the actual state of the railway records Are they accurate or not? Then, the light that is thrown on them by the actual experience of the railways The lives of the assets and a forecast at what their lives will be in the future That, of course, depends particularly on the standard of maintenance which is practicable or which is aimed at as an objective Secondly, a major head is the question of over-capitalisation and with it the problem of amortization Should the excess capital which is on the books be written off? If so, over what period? And so on I mentioned earlier about the good-will of the company-managed railways That is just a case in point We have something like 43 crores which is merely good-will and not represented by any physical asset Thirdly, the scale of the annual appropriation which is to be made to the Fund As the House knows, we are at present appropriating to the Fund on the basis of 1/60th of the value of capital assets Various views have been expressed on that figure and most of them, I think, are disadvantageous The figure of 1/60th is really considered to be no more than a makeshift and we shall very much hope that out of the forthcoming Inquiry there will emerge something more scientific than that Well, Sir, on all these problems, into which I do not propose to enter in detail and which I do not want to discuss on their merits, we must await the result of the Railway Board's inquiries In the light of past history, I should like to warn the House that they should not be led away to suppose that these matters can be postponed again It was the constitutional situation in 1928-29, the setting up of the Federal Railway Authority or the expectation of it in 1937 that led to the postponement of these problems on two occasions in the past It would be a mistake, I think, if we are led away into thinking that because India's constitution is shortly to be remodelled, we would be wise again to postpone these enquiries That applies to the Depreciation Fund, it applies even more to the question of the General Reserve where the temptation to postpone may be greater

Pandit Lakshmi Kanta Maitra. Did my Honourable friend say that 1/60 of the capital head charge is adequate?

Mr. M. A. F. Hirtzel: I was not talking on merits I was only concerned to point out that the opinion has been expressed that 1/60 or indeed any over-all percentage of that kind is not a satisfactory way of making provision The provision should be more precise and more specific in relation to particular experience in connection with particular sections of assets I am not here concerned to discuss the merits but only to point to the problems which I would like the House to bear in mind Now, Sir, I was saying that we hope very much that the constitutional position is not to be allowed to interfere with the settling of this problem again We have not only to examine the question of the Depreciation and Reserve Funds, but there is also the question of the Railway Separation Convention It appears to me that, whatever view may be taken of the matter, we should arrive at a settlement which any how would put things on a firm footing for, say, a period of five years I myself feel that that might be a very desirable principle to adopt permanently that no convention should be laid down ostensibly for war, but that it should be subject to periodical review at regular intervals of five years We on this side would favour putting things on that basis for five years to start with By that time we hope that the various constitutions central and provincial would be working smoothly and the members of the legislatures and the governments concerned will then be in a position to take up further examination I myself feel that a much wider examination is necessary in the case of the General Reserve and the whole question of a contribution by the railways to general revenues, because it appears to me that the issue is between the railways as a public utility in which aspect their profits become a tax on users of railways and as a commercial concern in which aspect their profits may be treated as a legitimate profit to the State. Those questions can only be settled by an over-all Taxation Enquiry Committee which would assess the

claims of various sections of the public and the benefits received by them in the form of services whether it be by railways or in the shape of the benefits of irrigation or any of the other large schemes which Government is undertaking. It appears to me that all these problems require over-all estimation which certainly could not possibly be undertaken today But it may be undertaken at a later time We should therefore be in favour of an interim settlement which would last for five years with the possibility of continuance And that principle commends itself to us because working as we are today on a year to year basis, we feel that the Railway Member has insufficient protection from some of his colleagues on the same Bench He happens to be fairly well off today, but tomorrow if he finds himself in a jam, he may find himself at the mercy of the Honourable Finance Member who unfortunately is not present here today to hear these remarks We should like to see the Railway Member on a five year agreement which would guarantee him some of his earned profits All these matters are of the greatest importance but the Convention Committee should not only consider the immediate position of the railways today As I mentioned the other day the fact remains that the railways have been fighting a continuous battle for solvency and efficiency In this aspect also, the railways have not merely to keep their present position on a sound footing, but they have got to look ahead to days when there may be very big technical developments We are today about in the stage when George Stephenson first observed his kettle boiling and thought of a railway engine We have just got to the stage when we have to visualise the possibilities of atomic energy and we may find in the course of the next 10 or 20 years very big developments made in the practical application of atomic energy If we are not going to lay down adequate reserves to spend on these technical developments, then this country is going to find itself very seriously handicapped indeed We shall then have the tourists whom the Honourable Member this morning welcomed to this country coming not to see the Taj but to see the funny old steam engines still running on the Indian railways The tourists would arrive jet-propelled and it would be very useful to draw the tourist traffic But such railways will not be very much of use for our trade and industry So in all seriousness, I would suggest that the possibility of our having to take up big technical developments must be thought of more than ever today, it must be borne in mind and provided for

I am afraid my time is getting short I would like to say a word about the Betterment Fund The Betterment Fund is one subject in which we have made very considerable and salutary progress As a result of the constitution of the fund we shall be able to meet out of accumulated reserves drawn from general revenues expenditure which is not of an immediate profit-earning nature This is a very salutary reform

The stage has been reached when the Honourable Member can promise to set up a Convention Committee I myself felt a little different about another committee As the Honourable Member himself said in his speech yesterday, we have had enough committees already A dozen or so committees or various bodies have reported formally on this matter during the past 20 years and we feel there has been no practical result There has of course been an accumulation of information and experience On the other hand committees also tend to exhaust the urge for action If you feel something has got to be done, you set up a Committee But by the time the Committee reports months have passed and the whole situation has changed and then you say "We cannot possibly do anything with this report" We are anxious that that should not happen again. On the other hand we feel it is most important that members of this House should be kept fully acquainted with Government's thoughts on these matters while Government is framing its own ideas Therefore, on balance, we certainly support the idea of another Convention Committee and we would support the Railway Member in any effort that he might make to make it as strong and as competent a Committee as possible We should like to see these subjects dealt

[Mr M A. F. Hirtzel]

with not only quickly but with some prospect of finality and on a sound footing We therefore hope that the Honourable Member will be able to set up this Committee as soon as possible and that it will be really a strong one Sir, I move

Mr. President. Cut motion moved

"That the demand under the head 'Working Expenses—Appropriation to Depreciation Fund' be reduced by Rs 100"

Khan Mohammad Yamin Khan (Agra Division: Muhammadan Rural) Sir, this question of the railway depreciation fund has been misunderstood to a great extent and should therefore be properly explained by Government I shall try to place before the House what I have been able to gather after being for a long time a member of the Railway Standing Finance Committee and a member of the Convention Committee There are two things which unfortunately we do not know Firstly, we do not know anything about the depreciation fund before 1922, and it is impossible to find out anything about that Another thing is that the companies which have been taken over were not

3 P M. strictly following the principle which has been followed by Government It is of course true that the figure of 1/60th has been put down as a practicable proposition, but it does not strictly conform to the life of the different assets For instance, the life of an engine is taken as 35 years and so on that basis the contribution to the depreciation fund would be 1/35th of the value The lives of other assets were calculated on a different basis but they have been found to be wrong For instance, the life of a railway station is taken as 200 years I remember Sir Jeremy Raisman saying in one of the meetings of our Committee that he could not conceive of a railway station existing after 200 years, and it would surely not be worth while to have it as a station Again railway lines have different lives and so have coaches and wagons It is therefore difficult to calculate every year how much should be put in every year on account of all these different assets,—locomotives, coaches, lines, stations, etc Therefore an average was calculated by taking 800½ crores worth of property, and it was found that 1/60th was a fair amount to be put into the depreciation fund as it came very near the average calculated on the basis of lines of different assets That is the principle that the Railway Board have been following But when the Railway Convention Committee met last time we found that our depreciation fund was very poor and we were told that by 1954 the whole fund would be spent up and there would be nothing left This was a very gloomy prospect and the Committee decided to appoint a special officer to investigate and collect data and then submit a report to this Committee The task was not easy, it was given to a very capable officer who had retired as Financial Commissioner of Railways He has been collecting all these data If it is found in 1954 that all our assets are consumed and have to be replaced all at once and we have no money left, Government will be forced to borrow and there will be nothing to put into the depreciation fund Some Honourable Members here—and an Honourable Member of my own party—think that there should not be so many separate funds like the reserve fund, depreciation fund, betterment fund, etc And I also find a mistaken idea prevailing that there should not be such a large amount in the depreciation fund as we have got at present But when the railways started they were purchased all of a sudden; so much money has been invested and there comes up in the normal course of life a certain period when a large amount of your assets gets worn out and has to be replaced at once You may have been accumulating money for years which you think excessive, but when it comes to replacement you find you require more than you have got So it is not economical or wise to spend money and not put in anything into the depreciation fund The Convention Committee went thoroughly into this question, but it is not functioning now It was appointed by the last Assembly, and when the last Assembly came to an end, the committee also ceased to exist Now this

Assembly will have to appoint another committee but that cannot function until the report of the special committee is ready That report could not be ready because business connected with the war was more urgent, and so the work had to be stopped. Now this work will be taken in hand. I think the depreciation fund should never be depleted, it is a fund which you depend upon for replacing your assets when they get worn out from time to time One thing which we cannot ignore is that our depreciation fund has been built up on the prices paid for our assets a very long time ago At that time one engine would cost a lakh of rupees and naturally its depreciation was worked out on that basis Now the price of engines and everything else has gone up very high, so that if an engine has to be replaced its price will not be covered by the depreciation set apart for this purpose. Now supposing the price of an engine is three lakhs now, one lakh would come out of the depreciation fund and two lakhs would have to be met from the capital This creates a very difficult position which we shall have to face when we have to replace a large number of our locomotives in 1954 and 1955 In view of the uncertainty of price level during that period we must take this matter into serious consideration at this stage Already Railways have to pay a debt of Rs 850 crores, and if to this figure is added later on further amounts of borrowed capital, which will be necessary for replacements, the Railways will not be able to meet the interest charges even Therefore it was decided that as much money as could be had from the revenues should be used for this purpose, and we should not increase the debt and the capital at charge Sir, one thing which I have been pressing for a long time, and which I again bring to the notice of the Honourable the Railway Member today is this Money is available at low rate of interest now We borrowed money when the rate of interest was very high If I remember correctly we are paying 4 per cent as interest to the Government of India Now I think we can raise a loan at 2½ to 3 per cent because people have got a lot of money which they have made in blackmarketing and they want to invest it Why not float a new loan at low rate of interest and pay off the old debt? In this way some amount can easily be saved

Sir, I do not want to take up more time of the House In the end I will only say that the Railway Administration should take all these questions into consideration

The Honourable Dr. John Matthai: I am reluctant to express any views on the questions which have been raised in this discussion because, as I said in my Budget speech, it is our intention to set up a committee to go into precisely the questions that Honourable Members have raised Perhaps I may state to the House straight away what my intention is regarding this committee I entirely agree with my Honourable friend, Mr Hirtzel that we should have a strong and competent committee to go into these difficult matters My idea regarding the composition of the committee I propose to set up is this Besides the Member for Finance and the Member for Transport and the Financial Commissioner for Railways I am going to suggest that nine Members of this House should be elected to the committee I think a committee constituted on these lines would answer the purpose, we have in mind, and I have no doubt that the recommendations that they make will enable us to come to a satisfactory decision regarding these problems.

Both the Honourable the Mover and the Honourable the Deputy President discussed the various issues involved in the depreciation fund. That of course is an extremely difficult question, not merely in regard to railways but in regard to other concerns What exactly is to be the annual rate of appropriation is one question which the committee will have to consider. They would have to consider also whether the level at which the fund stands at present is the proper level to adopt at the present time, that is to say whether arrears should be made up, whether replacement cost or original cost should be taken into

[Dr John Matthai]

account, whether some allowance should be made for goodwill, etc. These are all issues on which it would be unnecessary and probably inadvisable that I should express any opinion at this stage On the whole I should like to say that the general attitude adopted on the question of these various funds by the Honourable the Mover and the Honourable the Deputy President is an attitude with which I am in sympathy I understand that attitude to be one of prudence and financial conservatism I think that is the right attitude to take up in regard to the question of these funds As I said, it is not my business today, pending final examination by this committee, to express any views

Mr. P. J. Griffiths: Could the Honourable Member tell us when the Committee is likely to be set up?

The Honourable Dr. John Matthai: I am glad the Honourable Member has raised that question I wanted to say a word on that My idea is that the Committee should be elected before the end of this Session, and I hope the necessary materials for the Committee would be ready some time in July, and it will be possible for the committee starting work on these materials in July to present its report some time during the Session preceding the Budget Session of 1948 That is my anticipation

Pandit Lakshmi Kanta Maitra: May I know whether the Committee will also be asked to examine the desirability of maintaining other funds such as betterment fund and renewal reserve fund besides the depreciation fund, and whether they will also be asked to determine the sizes of these funds The Honourable Member knows very well that there is enough room for honest difference of opinion as to the desirability or otherwise of having different funds with overlapping objects

The Honourable Dr John Matthai: Our idea is that the Committee should have wide terms of reference in this matter so that the question whether there should be separate funds or one consolidated fund could be examined by the Committee

Pandit Lakshmi Kanta Maitra: May I also enquire whether in this connection it would be open to the Committee to consider whether or not such expenses as have been proposed by the Honourable Member in the Railway Budget out of the Betterment Fund for construction of works should be undertaken by the fund called the Betterment Fund which has been brought into being or whether they should be charged to capital?

The Honourable Dr. John Matthai: The Government's idea is that the definition of each of these funds would also be a proper matter for examination by this Committee and of course the question of the contribution to be made by the railways to general revenues would also come within their purview

Sir Cowasjee Jehangir (Nominated Non-Official) During the discussion on the Railway Budget we have heard many demands made upon the Honourable Member Now, Sir, I would like to ask a simple question If these demands are to be met, are they to be met for this generation, and are they not to be met for future generations? This question of depreciation is no new one to this House As we were reminded, Sir James Grigg laid down the law on the subject with which we disagreed at the time and for which we caused him a great deal of irritation and a great deal of support to the Railway Member of those days Therefore, there are two schools of thought in this House One school of thought consists of men who have had something to do with large industrial concerns The other school of thought is of men who only look to the present advantage to be gained by the public and themselves from the Railway Department My Honourable friend, who is now the head of the Department and Member in charge, has had wide experience of industrial concerns, and I think he expressed the opinion very rightly—the first time I have heard it expressed by a Member for Railways—that if there was a private concern with a capital of Rs 850 crores, and if there was a Depreciation Fund of Rs 100 crores and a reserve fund, I believe of about Rs 26 crores, how could

any one like that balance sheet? I think my Honourable friend would immediately say that that industrial concern had not been properly managed and that the future of the shareholders was not in a sound condition We have pleaded in season and out of season that the reserve fund of these railways should be on a much larger scale. But the Finance Member also had a say in the matter Every time there were difficult times The Finance Member's demands had to be met and with a lenient House, with a House that only looked for the present and not for the future, raids were made on the reserve fund of the railways, with the result that after having had prosperous years right through the war times, we find a depreciation fund of Rs 100 crores and a reserve fund of about Rs 26 crores These railways are not only meant for ourselves They are meant for our children, our grand children and great-grand children, and if we are to do our duty towards the state and to the future of our country, the most important point on which we have to concentrate is to see that further raids are not made upon our profits By all means let the State get its due from the profits but not before a proper depreciation fund has been built up for future generations not before a proper contribution is made towards reserve and towards depreciation funds by all means let the profits then go to the State But in order to increase the profits to the State to deliberately cut down the depreciation or reserve fund is not a sound policy In war time things were different As the Deputy President mentioned, efforts were made to get facts and figures I believe that certain facts and figures were obtained I realized the difficulties of getting facts and figures But as my Honourable friend knows, that if this had been an industrial private concern a certain amount would have been allowed by the income-tax department for depreciation, and I am not going to ask him the most difficult question What that sum would be in regard to our railways? Because I know that he is not in a position to answer it Honourable Members must realise that an industrial concern before paying income-tax and corporation tax is allowed a certain amount of depreciation This is worked out on a scientific basis That is not possible with the railways The Honourable Member told us the other day that we have contributed less towards the State during the war years than we would have contributed to the State by way of income-tax and super-tax I say that the Honourable Member must at least see that the depreciation that is set aside for the railways is what an industrial concern would have had to put down in its accounts for income-tax purposes that is the minimum How that is to be worked out I am not in a position to say just now but it is possible to work it out and that should be the minimum basis—little more if possible

Sir, not enough attention can be paid to this question of depreciation The whole future of the railways depends upon it and I trust, having an Honourable Member in charge who has had wide experience in this connection, he will not neglect this important point which has, I am sorry to say, been neglected in the past

Mr. Leslie Gwilt (Bombay European) The question be now put.

Mr. M. A. F. Hirtzel: Sir, I beg leave of the House to withdraw my cut motion.

Mr. President: Has the Honourable Member leave of the Assembly to withdraw his motion?

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

Mr. President: The question is

"That a sum not exceeding Rs. 15,33,86,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Working Expenses—Appropriation to Depreciation Fund'"

The motion was adopted.

DEMAND No. 1—RAILWAY BOARD—*Contd*

Increase of Railway fares below Re 1

Sardar Mangal Singh (East Punjab Sikh): Sir, I move

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

Sir, this is not a motion like the other motions which were moved and withdrawn but this is a motion which I hope the Government will accept and for several reasons Even the Railway Member of the last bureaucratic Government did not think it proper to increase the railway fares below Re 1 It was left to the Honourable Railway Member of the National Government to step in and put his hand into the pockets of the poorer people who travel short distances In his budget speech the Honourable Member himself said

"and the application of a 6¼ per cent increase of fares below Re 1, which have hitherto not been called upon."

I cannot calculate the financial implications of this motion, because the requisite statistics were not available to me, in spite of the fact that I looked into some reports But I find that the average distance travelled by a third class passenger in round figures is below 40 miles and the average rate charged is 3 5 pies per mile If we multiply 40 by 3 5 pies it comes to about 140 pies or nearly 12 annas So the average fare paid by a third class passenger is nearly 12 annas If my motion is accepted then the bulk of the travellers in the third class stand to gain a little There has been all round sympathy for the third class passengers and my Honourable friend the Transport Member was also full of sympathy for them and their difficulties and miseries in the waiting rooms, before the booking windows, on the platforms and finally in the railway train itself I would beg of him to reconsider this point My Honourable friend Mr Gadgil said the other day that if a motion in some suitable form to lighten the burden on the third class passengers were brought forward, the Government would see its way to accept it I hope that the Honourable the Railway Member will see his way to accept this motion This will benefit to some extent the third class passengers, particularly the villagers who travel short distances

Another point which I would like the Honourable Transport Member to clear is this If this motion is not accepted, I want to understand what will be the increase on a ticket costing 2 annas As regards tickets costing one anna he has made the position clear The one anna will remain intact The railway does not charge a fraction of an anna If it is slightly higher than two annas, I would like to know whether it will be three annas or the excess charge will be remitted and it will remain at two annas Fraction of a rupee is on a different footing If the fare is Rs 1/7 the increase would be only one anna If it is two or three annas I want to understand how much would be the increase In the case of two anna tickets the increase would be as much as 50 per cent and short distance third class passengers will be the most hard hit A villager travelling 8 or 10 miles for a ticket of two annas will be required to pay three annas I would therefore request that this question be re-examined and fares below Re 1 should be free from the increase which is contemplated in the budget by my Honourable friend the Transport Member This point is quite a simple one and I do not think any long speech is necessary, particularly because I want my Honourable friend Mr Joshi to move his cut motion, which is a very important one

Sir, I move

Mr. President: Cut motion moved.

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

The Honourable Dr. John Matthai: Sir, I may perhaps cut short the discussion if I tell the House what the intentions of Government are in this matter I told the House last week that we were considering the question of granting some relief in respect of the increase in fares proposed and that

I hoped to be able to make a statement on that point at an early date We have gone carefully into this matter, and examined it from all points of view The proposal made by my Honourable friend, Sardar Mangal Singh, that fares below Re 1 should be exempted from the proposed increase is not one which we are in a position to accept, because the loss involved in that proposal would be such that the estimates that we have made for the budget year would be seriously disorganised However, I have given careful consideration to the possibility of fixing a limit for exemption from the proposed increase

Sardar Mangal Singh: Make it fifteen annas

The Honourable Dr. John Matthai: My Honourable friend Mr Gadgil the other day suggested that we might consider exempting all suburban tickets from the increased fare That would not be fair to people who travel short distances in rural areas If we are going to make any proposal for exemption, it seems to us that it should apply equally to rural areas Therefore having considered the matter from all points of view, the announcement I have to make to the House is as follows

Government have decided that the increase of 6¼ per cent in passenger fares shall not apply to fares below eight annas, including those for season tickets between points where the single journey fare is below eight annas

I should like to state briefly the financial implications of the proposal If we accepted Sardar Mangal Singh's proposal, Government would stand to lose somewhere about 1¾ to 2 crores of rupees On the proposal that I have made the amount that we might lose is about 85 lakhs We feel that this is as far as we can go

Sardar Mangal Singh: May I know whether the increase on eight annas will be one anna and the increase on rupee one also will be one anna?

The Honourable Dr. John Matthai. It will be 6¼ per cent of eight annas

Mr. President: Does this apply to all classes of tickets?

The Honourable Dr. John Matthai: Yes, Sir

Sardar Mangal Singh: In view of the announcement made by the Honourable the Railway Member—at least my motion has been accepted fifty per cent—I beg leave of the House to withdraw my cut motion

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

Failure of the Railway Board to implement the interim settlement with the All India Railwaymen's Federation

Mr. N. M. Joshi (Nominated Non-Official) Sir, I beg to move

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

Sir, by making this motion I want to discuss certain matters arising out of the settlement arrived at between the Railway Board and the All-India Railwaymen's Federation in June 1946 You may remember, Sir, that in June 1946 the All-India Railwaymen's Federation had planned to declare a strike.

[At this stage Mr President vacated the Chair which was then occupied by Mr Deputy President (Khan Mohammad Yamin Khan)]

As a result of certain concessions made by way of an interim relief of Rs 4-8-0 per month and as a result of the advice of some people who thought that that time was not quite favourable for a strike and also due to certain other concessions and promises given by the Railway Board the strike was not declared Since that time the fulfilment of the terms of the settlement have been considered and watched by the All-India Railwaymen's Federation and by others who are interested in the welfare of the Indian railwaymen I have therefore considering the extent of the fulfilment, to place certain matters before the Honourable Member in charge namely that the Railway Board has not observed strictly the terms of the settlement and therefore some action to

[Mr N. M Joshi]

fulfil the terms of the settlement is necessary One of the terms of the settlement was that interim relief with effect from 1st July 1945 should be granted in consultation with the All-India Railwaymen's Federation as recommended by the Railway Finance Committee With regard to this condition I want to bring to the notice of the Honourable the Railway Member that in the first place all the terms of the settlement have not been observed by all the Indian Railways They have to some extent—perhaps to a large extent—been fulfilled by the larger railways, but there are some smaller railways, not owned by the state but owned by private companies—which have not fulfilled these terms fully Some of these companies have paid interim relief to a smaller extent and some, as far as I am told, have not yet paid interim relief

Then there are a large number of people on various railways who are called 'casual labour' and they are not given the benefit of the interim relief of Rs 4-8-0 Unfortunately, so far as I know, there is no proper definition of 'casual labour' I know, and I have got my original knowledge added to a little as a Member of the Pay Commission, that this term casual labour' is applied not only on railways but in several government concerns, for people who work not only for weeks regularly but for months and even years Still they are called casual labour The Railway Board, as far as I understand, have denied the benefit of the first term of the settlement to people who are called casual labour I have stated that among the people who are called casual labour there are people who have worked for not only months but for years The reason given, I am told, for not paying the interim relief to these people is that the labourers or workers are paid at market rates My information is that these people are not paid at market rates, even if that was some justification for not paying them the interim relief of Rs 4-8-0 So far as my knowledge goes, the rates paid to these people are less than what are known as the market rates Therefore, the excuse for not giving the interim relief is not proper I do not know what the idea of the Railway Board is regarding market rates Some of these people have been working on the same wage for a long time If they had been market rates they should have been changed every fortnight if not every week, because the cost of living either goes up or goes down The cost of living is still going up although during certain periods the cost of living was going down But the present trend is for the prices to go up still. If they had been really paid at market rates I think these rates should have been changing, but they are not changing very much I therefore feel that the Railway Board is not really just in not paying the interim relief to a large number of their employees Their number is not small I am told the number on the G I P Railway is about 26,000 and if you take all the railways together their number is 60,000

There is another failure on the part of the Government in observing specially this term of the settlement The term of the settlement was that an interim relief with effect from the 1st July 1945 should be granted in consultation with the Indian Railwaymen's Federation as recommended by the Railway Finance Committee But I am told that persons in the employment of the Railway Board between July 1945 and 31st July 1946 are not given the benefit, that is people who retired before the 1st August 1946 have not been given the benefit of this interim relief The justification given by the Railway Board, I am told, is that although their promise was to pay interim relief to all those people who were in the railway employment on the 1st of July 1945, still when the time for paying the actual interim relief came these people were not in the service of the Railway Board or the Indian railways I feel that this is merely an excuse for not paying and I do not think there is any justification for not making the payment to these people on the ground that they had retired

I think the Honourable Member will agree with me that a department of Government should never fail to honour their word. They have given their word, that all railwaymen who were in the employ of the railways on the 1st July 1945 will be paid interim relief according to a certain rate. And then to find out some excuse not to pay the interim relief to some people is not honouring their word When the settlement was arrived at there was no understanding that the casual labourers will be omitted There was no understanding that people who were or had retired before August 1946 will not be paid I have nothing to say against the moral sense of the Railway Board but I know that at least on one occasion some years ago there was a Member of the Government of India who fulfilled his word, although the fulfilment of that word cost the Government of India a very large amount and although by fulfilling his word the Government of India at that time had to pay the workers for the days on which they were on strike At that time there was Sir George Rainy, the Member in charge and he fulfilled his word to the letter, although that cost a large amount of money and it appeared as if the Railway Board were paying strike pay for their workmen I would like the Honourable Member to remember this commendable behaviour of one of his predecessors and I would like him to realise what the result of not honouring their word on the part of the Government of India will be not only on their employees but on the whole public.

There is another point in connection with that settlement, namely, retrenchment No employees of the Government of India who were in service on the 15th September 1945 would be retrenched but if some employees were found to be surplus the Government of India would find either alternative employment for them or keep them in their own employment I want to speak on one or two aspects of this question of retrenchment In the first place I am told that at Kanchrapara two thousand persons who were working not as railwaymen in those days but as civil-military units, were discharged from service The justification given for this is that they were not regular railwaymen They were parts of a civil-military unit or units .I feel that these people who were working in railway workshops should be treated as railwaymen, although they were not at that time on the regular railway musters but they were working under some military labour units That is one point

Another point is that the Government of India when they provided alternative employment, that employment is not quite good and if the employees do not accept it they are discharged on the ground that they were offered some alternative employment and they did not avail themselves of it I was given an instance by a man who knows the conditions on the G. I. P Railway Some persons who were getting Rs 26 in Manmad were transferred to Bombay and at Bombay too they were promised to be given Rs 26 Now, this is not an alternative employment If a man was paid Rs 26 in Manmad, he would like to be paid something more in Bombay So, this is not fulfilling properly the conditions of your settlement

There is one more question regarding retrenchment We all want to avoid retrenchment and as a measure of avoiding retrenchment, they could apply the hours of employment regulations and the holiday regulations to all railways It was in 1919 that the hours of work convention was passed by the International Labour Conference held in Washington more than 26 or 27 years ago According to that convention, the Government of India agreed to apply that convention and regulate the hours on railways. Unfortunately the Government has been neglecting to fulfil their plighted word in this matter For some years they did nothing After some years they began to take some action and that too in such a halting manner that although the convention was passed in 1919 the convention is not yet fully applied to all the railways. During the last 25 years the Government of India have succeeded with all their

[Mr N. M Joshi]

effort to apply the hours convention only to what are known as Class I Railways but that convention is not yet made applicable to Class II Railways and Class III Railways I feel that the Government of India is doing a wrong thing I remember some years ago my friend Mr Jamnadas Mehta had made a complaint to the International Labour Office that the Government of India is not fulfilling their agreement as regards these hours of employment regulations Since then, the Government of India took some action, but they are so lethargic that even 25 years have not been enough for them to fulfil their word I would like the Government of India to take up this question earnestly once for all They should fulfil their word It is wrong for a Government not to fulfil their plighted word It has a bad effect not only on your employees but also upon everybody else in the country Sir, I do not wish to take any more of your time, but I would like the Honourable Member to consider the items in which the Government of India have failed in their duty and have failed to carry out the agreement Therefore, I request him to consider these matters and give their employees the fullest satisfaction in this respect

4 P M

Mr. Deputy President: Cut motion moved

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

Miss Maniben Kara (Nominated Non-Official) Sir, I rise to support this motion The House is aware that last year the workers, not only of Government's own railways but the workers of all the railways, had given a strike notice That was not a mere threat of a strike There was complete preparation for a successful general strike, not as a result of the agitation of handful of trade unionists but as a result of deep seated dissatisfaction prevailing amongst the railway employees for many years As a result of the negotiations carried on between the All-India Railwaymen's Federation and the Railway Board and also as a result of some kind of settlement that was arrived at between these two bodies, the railway employees were advised to wait a while and to watch They were also hoping that the report of the Pay Commission will be out soon, the railway employees who are responsible citizens of the society, therefore withdrew their strike notice I personally went on the B B and C I Railway line requesting and explaining to the workers the advisability of withholding strike action in view of the interim relief which was being offered by the Railway Board and also because the Pay Commission was busy with finding facts and making recommendations But to my great disappointment, I found that the railway employees were betrayed as a result of certain loopholes that were left in the form of the agreement As many as 60,000 railway employees who are entitled to this interim relief of a small amount of Rs 4-8-0 a month have been deprived of that benefit, because we, the labour representatives, were not businessmen, and did not understand the loopholes in the settlement with the Railway Board Sir, we are frank and straightforward people When we arrived at the agreement, we understood the Railway Board to say that this relief will be given to all the railway employees, but now we find that these so-called casual labourers have been deprived of its benefit The spirit of the agreement was that the workers in your service working for a number of years, whose claim of increment was accepted by the Railway Board, will all get the benefit, namely, the interim relief The expression "casual labourer" unfortunately is very much misused and abused because a worker who may have spent all his life and grown grey in the service of the railway is still called a casual labourer, because of this definition of the casual labour, he is treated by the Railway Board as a temporary hand Is it justifiable that the Railway Board should deprive as many as 60,000 railway employees of their benefit of Rs 4-8-0 a month? If the intention of the agreement between the Railway Board and the Federation was to somehow or other minimise the dissatisfaction existing among the railway employees, then I make bold to say that you have certainly failed

in that respect I would appeal to the Honourable the Transport Member that as a representative of a new Government in this country, he should come forward with a gesture that he would abide not by the letter but by the spirit of the agreement which was entered into between the Federation and the Railway Board Sir, not only in this respect, but, in the other case, where the workers retired in August are also deprived of that benefit Is this an excuse to say that because the workers retired from their services, the Railway Board can swallow the money which legitimately belongs to the workers? It is never too late to begin I, therefore, hope that the present Railway Member will pay the dues back to the railway employees It is a matter of great regret for me to point out to this House that the railway authorities have failed to honour the agreement which was not at all satisfactory to the employees, but which the employees honoured and the Railway Board did not

Sir Cowasjee Jehangir: I find there is no quorum

(The bell was rung and the quorum was obtained)

Miss Maniben Kara: In order to win the confidence of the railway employees the Railway Board should fulfil the terms of the agreement which was arrived at between the Federation and the Railway Board Even about hours of work, it was agreed that they will be extended to all the railways which are members of the Indian Railway Conference Association With regard to hours of work, I wish to point out that the hours of work differ for three different categories of workers One category of worker is called continuous worker, the second category is called intermittent worker and the third is called unclassified worker, I ask the Honourable Member to consider whether it is desirable to have three different classifications for hours of work for the employees on railways The continuous worker is supposed to be working for eight hours only But in order to get the weekly holiday a worker in this particular category has to put in extra hours every day so that he earns his eight hours leave for one day in a week This should not happen at all A worker is expected to have a weekly holiday and he should not be working for more than eight hours to earn that rest But the worker called the continuous worker, has to do overtime in order to obtain weekly rest This must stop and he must get a calendar day for his rest The intermittent workers are working for 12 hours The argument advanced is that station masters, booking clerks and porters are not working continuously for all the time, but you forget that these people are required to be at their posts They cannot go home, they cannot enjoy rest between hours of work The very fact that these workers have got to be at their jobs for 12 hours means that they have to be working for such long hours This discrimination should immediately go I would very much like the Honourable Member to give his urgent attention to this so-called unclassified workers I mentioned in my general remarks on the railway budget that these members of the running staff work for as many as 12 hours, 15 hours and 16 hours a day They are mostly supervisory staff who have absolutely no regulation of hours of work Imagine engine drivers who have to perform such responsible tasks who are responsible for lives of hundreds of passengers have no regulation for hours of work This is appalling You are thinking in terms of retrenchment, you are thinking in terms of throwing out persons when you are not in a position to replace those people who have to be working for longer hours I can understand that at times when a train is running late it is not easy to relieve these workers but then they should be compensated I expect the Railway Member to give serious attention to this class of unclassified workers I do not want to cover the points which have been so ably dealt with by Mr Joshi so I shall make a few remarks about leave rules There are four different sets of leave rules, company leave rules, fundamental leave rules, state railway rules and separate leave rules for inferior staff. All these complicated leave rules should be abolished and there

[Miss Manıben Kara]

should be only one leave rules. The Railwaymen Federation has already put forward this demand, which should receive serious consideration. With these words, I support the motion moved by Mr Joshi

Mr. Z. H. Khan (Government of India Nominated Official) Sir, I will try and deal briefly with some of the points raised during the discussion My Honourable friend Mr Joshi referred to the failure of the Railway Board in not granting interim relief to employees of railways other than Indian Government railways In June last year when a general railway strike was threatened, the Railway Board agreed to grant interim relief as recommended by the Railway Standing Finance Committee, but this relief referred only to the employees of Indian Government railways The Board in fact could not give any assurance with regard to employees on company lines nor on lines managed by Indian States, as Government, generally speaking, have no power over the detailed management of these lines I may point out that the assurance given to the Federation referred only to employees employed on the Indian Government railways as the conditions of service of staff on those railways are controlled by Government and the expenditure thereon is directly chargeable to railway revenues This question was also discussed with the Federation and during the discussion the Federation asked if the Railway Board would support action to ensure uniformity of conditions of service on railways other than Indian Government railways The Federation were told that the Board would have no objection to referring the matter to the I R C A if they so desired Later on after detailed examination, however, it was found that they had no statutory control in regard to service conditions of staff employed on those railways But the Board agreed to write to the working agencies of those railways and place before them the representations made by the Federation for their consideration, and this is being done

The other point that Mr Joshi raised was in respect of casual labour. Casual labour is labour whose employment is not regular and who are engaged for specific work, the employment terminating with the cessation of the work, and who are given wages at schedule rate or market rates as distinguished from the fixed scale applicable to regular establishments The rates paid to casual labour therefore take into account the cost of living So far as we are aware the wages paid to this sort of labour have distinct relation to market rates, that is, rates paid to similar labour in that area and, generally speaking, are higher than the wages paid to similar whole-time staff employed on railways. This question has been examined at great length by us The Railway Board do not accept the allegation that casual labour is not paid at market rates; but if the Honourable the Mover can substantiate his statement the Board will be glad to reconsider the question

The Honourable the Mover then raised the question of the payment of interim relief to railway employees who have retired This question has also been very carefully considered and has been discussed more than once with the All-India Railwaymen's Federation I may explain that the increase in pay was given on the recommendation of the Standing Finance Committee for Railways in order to relieve the staff actually in service of their most pressing financial anxieties to make their continuance in railway employment possible; and the relief was given with retrospective effect in order to place a lump sum amount in the hands of the serving employees to meet their immediate needs pending inquiry by the Pay Commission It was never intended that this relief should be extended to men who had retired from service There are real difficulties in the matter of giving interim relief to men who had retired before that date; and the main difficulty is the tracing of these men. That is, these men must have gone to their homes and we have no definite record as to where they could be found, it will also be extremely difficult to verify the

last pay drawn by them as such records are not usually available after a man has retired.

Then Mr. Joshi raised the question of retrenchment of the staff of the Civil Maintenance Units. This staff were recruited during the war on behalf of the Defence Department for work which was undertaken by the B. & A. Railway by the Controller No. 1 C M U company who happened to be the Deputy Chief Mechanical Engineer of the Railway at Kanchrapara, without regard to railway rules or railway scales of pay In many cases the scales of pay of several of them were higher than those given to regular railway staff, and the entire cost of their wages and allowances was debited to the Defence Department. They were at no time treated as regular railway employees. At the meeting of the All-India Railwaymen's Federation with the Board on 5th December 1945 it was made clear to the Federation that the men who were employed by railways on behalf of other departments and were doing their work were not railway servants and therefore had no claim for absorption in future vacancies This position, I may say, was accepted by the Federation Even though the C M U staff were not treated as railway servants orders were issued to the B & A Railway directing them that they should endeavour to absorb this staff in regular railway employment when opportunity offered In July last year the Federation mentioned this matter again to the Board and said that their retrenchment was against the undertaking given to them by the Board At the same time some of the C M U staff made an application to the Calcutta High Court to order the General Manager of the B & A Railway received a ruling from the court asking him why the notices of discharge should not be cancelled The judgment of the Calcutta High Court has only recently been received and they have agreed with the Railway Department that the C M U staff were never intended to be railway employees and that the notice of discharge issued against them were correctly issued

The Honourable Member who followed the Honourable the Mover mentioned the hours of work rules This matter is under reference to the Adjudicator along with the question of leave to staff and it is very difficult to say what the recommendations of the Adjudicator would be, but Government will certainly give every consideration to the award made by the Adjudicator

The Honourable Dr. John Matthai: Sir, Mr Zafar Husain Khan has explained the position of the Railway Board in regard to this matter I was not concerned with the negotiations that took place last year and the settlement that was reached at the end of those negotiations But since I received notice of Mr. Joshi's motion I have gone with some care into this question I have seen the papers and I have discussed the matter with the Railway Board, and I should like to tell Mr Joshi that having examined the question with a detached mind I am satisfied that in coming to the decisions that they have come to the Railway Board have not in the least been actuated by any desire to back out of the engagements which they reached with the All-India Railwaymen's Federation And I hope Mr Joshi will accept my assurance that in this matter or any matter of this kind that may come up in the future we shall fully and faithfully implement any undertakings that may be reached with labour Speaking not merely personally but on behalf of the Government I should like to say that we are anxious that our relations with labour should be placed on a really satisfactory footing We shall take every step necessary towards that purpose; and I hope Mr. Joshi and his colleagues will give us in this matter the fullest co-operation.

Mr. N. M. Joshi: Sir, I may say with regard to the assurance given by the Honourable the Railway Member that I never questioned the motives of the Railway Board; but I will surely say this that their action results in a failure to implement their promises. Their motive may not be to back out of these promises but the result is backing out.

Mr Deputy President: The question is

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

The motion was negatived

Mr. Deputy President: As there are no other cut motions left, I will put the Demands to the House

Haji Abdus Sattar Haji Ishaq Seth (West Coast and Nilgiris Muhammadan) I rise to a point of order I just want to know what is the procedure in this case If guillotine is applied at 5 O clock then the motions are put by the Chair Now that there is half an hour more the Honourable Member should put the motions so that if any Members of the House want to offer any observations they may do so

Sjt. N. V. Gadgil: We have come to journey's end now

Mr. Deputy President: If the Honourable Member wants to insist, that is the correct procedure, but as the cuts which were agreed upon to be moved are finished I thought it will save time if the motions are put by the Chair

Haji Abdus Sattar Haji Ishaq Seth: I do not insist, Sir

Mr. Deputy President: The question is

"That a sum not exceeding Rs 39,06,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Railway Board' "

The motion was adopted

DEMAND No 2 — AUDIT

Mr. Deputy President: The question is

"That a sum not exceeding Rs. 19,94,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Audit' "

The motion was adopted

DEMAND No 3 — MISCELLANEOUS EXPENDITURE

Mr. Deputy President: The question is

"That a sum not exceeding Rs 54,75,000 be granted to the Governor General in Council to defra the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Miscellaneous Expenditure' "

The motion was adopted

DEMAND No 5 — WORKING EXPENSES—REPAIRS AND MAINTENANCE

Mr. Deputy President: The question is

"That a sum not exceeding Rs. 40,14,88,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Working Expenses—Repairs and Maintenance' "

The motion was adopted

DEMAND No 6 — WORKING EXPENSES—OPERATING STAFF

Mr. Deputy President: The question is

"That a sum not exceeding Rs. 22,58,28,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Working Expenses—Operating Staff' "

The motion was adopted

DEMAND No 7 — WORKING EXPENSES—OPERATION (FUEL)

Mr. Deputy President: The question is,

"That a sum not exceeding Rs 22,39,19,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Working Expenses—Operation (Fuel)' "

The motion was adopted

DEMAND No 8 — WORKING EXPENSES—OPERATION OTHER THAN STAFF AND FUEL

"That a sum not exceeding Rs 7,93,67,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Working Expenses—Operation Other than Staff and Fuel' "

The motion was adopted

DEMAND No 9 — WORKING EXPENSES—MISCELLANEOUS EXPENSES

Mr. Deputy President: The question is

"That a sum not exceeding Rs 24,45,16,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Working Expenses—Miscellaneous Expenses' "

The motion was adopted

DEMAND No 10 —PAYMENTS TO INDIAN STATES AND COMPANIES

Mr. Deputy President: The question is

"That a sum not exceeding Rs. 1,66,80,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Payments to Indian States and Companies' "

The motion was adopted

DEMAND No 12 —INTEREST CHARGES

Mr. Deputy President: The question is

"That a sum not exceeding Rs 87,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Interest Charges' "

The motion was adopted

DEMAND No 13 —APPROPRIATION TO BETTERMENT FUND

Mr. Deputy President: The question is

"That a sum not exceeding Rs. 5,00,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Appropriation to Betterment Fund'."

The motion was adopted

DEMAND No 14 —APPROPRIATION TO RESERVE

Mr. Deputy President: The question is:

"That a sum not exceeding Rs 5,00,62,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Appropriation to Reserve'."

The motion was adopted.

DEMAND No 14A —WITHDRAWAL FROM RESERVE.

Mr. Deputy President: The question is

"That a sum not exceeding Rs. 1,88,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Withdrawal from Reserve'."

The motion was adopted

DEMAND No 15 —CONSTRUCTION OF NEW LINES

Mr. Deputy President: The question is

"That a sum not exceeding Rs. 2,46,52,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Construction of New Lines'."

The motion was adopted

DEMAND No 16 —OPEN LINE WORKS—ADDITIONS

Mr. Deputy President: The question is

"That a sum not exceeding Rs. 23,19,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of Open Line Works—Additions' "

The motion was adopted

DEMAND No 17 —OPEN LINE WORKS—REPLACEMENTS

Mr. Deputy President. The question is

"That a sum not exceeding Rs. 24,18,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Open Line Works—Replacements'."

The motion was adopted

DEMAND No 18 —CAPITAL OUTLAY ON VIZAGAPATAM PORT

Mr. Deputy President: The question is

"That a sum not exceeding Rs. 15,09,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1948, in respect of 'Capital Outlay on Vizagapatam Port' "

The motion was adopted

The Assembly then adjourned till Eleven of the Clock on Thursday, the 27th February, 1947

LEGISLATIVE ASSEMBLY

Thursday, 27th February, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr President (The Honourable Mr G V. Mavalankar) in the Chair

STARRED QUESTIONS AND ANSWERS

(a) Oral Answers

Serai Rurani Idgah Scheme Part I, Ward No 14, Delhi

†621. *Sirdar Jogendra Singh: Will the Secretary of the Health Department be pleased to state

(a) whether it is a fact that Serai Purani Idgah Scheme, Part I, Ward No. 14, Delhi, has been completed,

(b) the boundary of the scheme,

(c) by what date the residents coming under the scheme will be required to vacate their houses actually,

(d) whether the following Mohallas form a part of the Serai Purani Idgah Scheme Part I, Ward No 14, Delhi. (i) Gali Mondhewalan, Delhi, (ii) Pipalwali, Sadar Bazar, Delhi, (iii) Tanda, Sadar Bazar, Delhi, (iv) Gali Raganath, Sadar Bazar, Delhi, and (v) Basti Julahan, Delhi, and

(e) if the reply to (d) above be in the affirmative, whether Government propose to name the locality or localities where the inhabitants of these Mohallas will be located;

(f) do Government propose (i) to consider the desirability of locating the inhabitants of the above Mohallas together in one locality, and (ii) to take steps so that the place of the location for the inhabitants of the above Mohallas will be close to the place of the scheme, if not, why not?

Mr. S. H. Y. Qulsnam: (a) No Acquisition of land required for the execution of the scheme has not yet commenced

(b) A plan showing the area included in the scheme is being placed in the library of the House

(c) It is not possible at present to state when the residents of the locality will be required to vacate their houses as it depends upon the progress of acquisition proceedings.

(d) Yes.

(e) The matter is under the consideration of the Delhi Improvement Trust and no final decision has yet been reached.

(f) It is not practicable to locate all inhabitants of these Mohallas at one place, but every endeavour will be made by the Trust to ensure that the residents are put to the minimum dislocation.

Re-Housing Scheme of Delhi Improvement Trust

622. *Sjt. Seth Damodar Swroop: Will the Secretary of the Health Department be pleased to state·

(a) whether the tenants who will come under the Rehousing Scheme of the Delhi Improvement Trust are likely to become owners of these houses after a period of 20 years; and

(b) whether the tenants can pay the amount in a lump sum in order to have the property rights over the leased houses?

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†Answer to this question laid on the table, the questioner being absent.

Mr. S. H. Y. Oulsnam: (a) So far as houses already constructed by the Delhi Improvement Trust under the state-aided re-housing scheme are concerned, persons who elected the lease purchase system in preference to ordinary tenancy will become owners of the houses they are occupying after 20 years The Trust has, now decided to build double storeyed houses instead of the previous single storeyed design, and persons occupying these houses will do so as tenants only

(b) No

Sjt. Seth Damodar Swaroop: Will the Honourable Member give an assurance that the land requisitioned by the Delhi Improvement Trust will be sold to the owners of the requisitioned house or land?

Mr. S. H. Y. Oulsnam: It is not possible to give any assurance of that nature When an area is cleared and re-developed the land cannot remain in the hands of the previous owners

DESIGN OF HOUSES FOR SERAI PURANI IDGAH SCHEME

623. *Shri D. P. Karmarkar: Will the Secretary of the Health Department be pleased to state

(a) the shape and design of the houses which are going to be provided to the inhabitants of Serai Purani Idgah Scheme Part I, Delhi;

(b) the locality or localities in which these houses are likely to be constructed;

(c) whether the construction has been taken in hand,

(d) the arrangements made for the tenants of the scheme, and

(e) the system of distribution of these houses?

Mr. S. H. Y. Oulsnam: (a) A copy of a plan showing the design of houses to be built under the state-aided re-housing scheme is being placed in the library of the House

(b) The matter is under the consideration of the Delhi Improvement Trust and no final decision has yet been reached

(c) No

(d) and (e) The Delhi Improvement Trust will offer alternative accommodation to those persons who are entitled to the benefits of the state-aided re-housing scheme irrespective of whether such persons are owners of property or ordinary tenants All persons whose monthly income does not exceed Rs. 50, who wish to be re-housed, and who are willing to pay a monthly rent fixed by the Trust will be eligible for the benefits of the state-aided re-housing scheme

ACCOMMODATION FOR INDIAN STUDENTS IN ENGLAND

624. *Haji Abdus Sattar Haji Ishaq Seth (on behalf of Mr. Ahmed E. H. Jaffar): (a) Will the Honourable Member for Education please state whether Government have received representations from their High Commissioner in London in recent weeks expressing grave anxiety in regard to the welfare of Indian students in London?

(b) Have Government received grave complaints in the matter of accommodation and of the way in which 200 Indian students who recently arrived had to be accommodated in tents in Croyden—a suburb in London?

(c) Is it a fact that in the matter of accommodation, English families have expressed their unwillingness to accommodate Indian students as guests?

(d) Will Government lay on the table of the House a statement for information of Members?

آنریبل مولانا ابوالکلام آزاد: (اے) اور (بی) یونائیٹیڈ کنگڈم میں ہندوستانی طالب علم اپنے آپ کو جس کٹھن صورت حالات میں پاتے ہیں اُس سے یہ گورنمنٹ بے خبر نہیں ہے - اس بارے میں ڈپٹی ہائی کمشنر نے جو آج کل

ہندوستان میں ہیں ایک رپورٹ بھیجی تھی - سوال کے حصہ (بی) میں جو واقعہ کا حوالہ دیا گیا ہے یعنی طالب علموں کو خیموں میں رہنا پڑا - اس کا تعلق صرف دو موقعوں سے ہے جو دو برس کے اندر پیش آئے - ان دونوں موقعوں میں طالب علموں کی بہت بڑی تعداد یونائیٹیڈ کنگڈم میں اچانک ایسی طرح پہونچ گئی تھی یا تو اُن کے پہونچنے کی خبر وہاں نہیں تھی یا خبر ملی بھی تھی تو کافی مہلت نہیں دی گئی تھی - مجبوراً اُن کے ٹھہرانے کے لئے انٹر نیشنل انگلوئیچ کلب کرائڈن میں جگہ نکالنی پڑی اور خیموں کے سوا اور کوئی انتظام نہ ہو سکا - لیکن ان دونوں موقعوں میں یہ عارضی انتظام زیادہ سے زیادہ تین دن کے لئے رہا تھا - اس کے بعد مناسب اِنتظام اُن کے رہنے سہنے کا کر دیا گیا - اس میں شبہ نہیں کہ اس کی وجہ سے ان طالب علموں کو بڑی حد تک تکلیف پہونچی ہوگی -

(سی) گورنمنٹ کو معلوم ہے کہ یونائیٹیڈ کنگڈم میں رہنے والے انگلش خاندان ایسا نہیں کرسکتے کہ ان تمام طالب علموں کو اپنے یہاں بطور مہمان کے ٹھہرالیں جو اس طرح کا انتظام چاہتے ہوں - لیکن ساتھ ہی گورنمنٹ یہ بھی ضرور کہہ سکتی ہے کہ اس کے علم میں کوئی واقعہ اس طرح کا نہیں آیا ہے جسے ریشیل قسم کی میفیشن کا نتیجہ سمجھا جائے - در اصل مکانوں اور نوکریوں کی سخت کمی آج کل وہاں کی اصلی مشکل ہے -

(ڈی) اس بارے میں ایک بیان میں ہاؤس کے ٹیبل پر رکھ رہا ہوں جس سے اس بارے میں پوری تفصیل معلوم ہوجائے گی - میں آنریبل ممبر کی اس بات پر بھی توجہ دلاؤنگا کہ ابھی تھوڑے دن ہوئے اس معاملہ کی نسبت سوال نمبر ۲۵ کے جواب میں صورت حال بیان کی جا چکی ہے اور سوال ۱۳۷ بھی اسی سلسلہ میں کیا گیا ہے -

The Honourable Maulana Abul Kalam Azad: (a) and (b) Government have received a report from the Deputy High Commissioner in London, who is at present in India, regarding the admittedly difficult position in which Indian students in the United Kingdom at present find themselves in regard to accommodation. The incident referred to in part (b) of the question about Indian students having to live in tents has reference to two occasions only during the last two years, when large numbers of Indian students arriving in the United Kingdom at short notice or without any notice altogether had to be accommodated in the International Language Club, Croydon, for a maximum period of three days before proper accommodation could be arranged for them. This undoubtedly resulted in considerable discomfort to the students concerned.

(c) Government understand that English families are unable to accept as guests all those who require such accommodation but no facts have come to their knowledge which would suggest that there has been any discrimination against Indian students on account of any colour or racial prejudice. Shortage of houses and servants appears to be the real difficulty.

(d) A statement is placed on the table The Honourable Member's attention is also drawn to my replies to Questions Nos 25 and 637 on the same subject earlier during the present session of House

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Statement

Conditions with regard both to admission and accommodation in the United Kingdom have been extremely difficult since the end of war and are likely to remain so for a considerable time Due to the unprecedented rush of ex servicemen to British Universities and the reservation of 90 per cent of all available places for them it has been extremely difficult to secure admission for the very large number of Government sponsored and private students now going to the United Kingdom. There is no doubt also that Indian students have had to suffer discomfort in regard to accommodation It should be remembered, however, that living conditions in the United Kingdom continue to be extremely difficult and that there is an acute shortage for everybody Inspite of the effort of the Office of the High Commissioner, some of the difficulties facing Indian students have not been removed

Government have made every effort to warn Indian students intending to go to the United Kingdom of the great difficulties existing at present in that country and to advise them not to go there without first having made suitable arrangements for their admission and accommodation The High Commissioner has been giving such help as he can in these respects when he has received sufficient notice from students It has been ascertained that the total number of interviews granted to Indian students by officers of the India House, not including those granted by the High Commissioner and the Deputy High Commissioner, was eight thousand during 1945 46 and 2,300 during the last three months ending 31st December, 1946 Between October 1945 and January 1947 the High Commissioner's Office arranged accommodation for about 1,200 students Apart from the hostels which have been established for Indian students in London and Edinburgh during the last year, the High Commissioner's Office maintains an up to date list of suitable lodging houses, including 125 private houses in London alone where Indian students are placed whenever possible

Recently a proposal was made by the Indian students in London asking for a room to be set apart in India House for their use as a central meeting place Under instructions from the Honourable Pandit Jawaharlal Nehru, when he was last in London this suggestion was carefully examined by the High Commissioner but it was found that owing to lack of accommodation for the existing staff it was not possible to find a suitable room in India House for this purpose The High Commissioner was however, trying his best to engage a suitable room in the vicinity of the India House which the students could use The matter is being pursued and it is hoped that satisfactory arrangements will be made soon

To cope with the difficult problems of admission and accommodation for Indian students in the United Kingdom it is proposed to strengthen and re organise the High Commissioner's office It is proposed particularly to strengthen the Education Department of the High Commissioner's office and to set up a separate section in that Department to look after the general welfare of Indian students The Government have already set up at considerable expense two hostels for Indian students, one in London and the other at Edinburgh and it is now proposed to establish another hostel in London to serve as a Reception and Transit Camp

While it is hoped that after these and other measures have been taken the conditions are likely to improve, it is very necessary that Indian students going to the United Kingdom for studies must have a clear idea of the difficulties and hardships which are inherent in the existing conditions in that country and should be prepared to live in conditions of great stringency like the nationals of the land.

INDIAN TROOPS IN INDONESIA

625. *Haji Abdus Sattar Haji Ishaq Seth (on behalf of **Mr. Ahmed E. H. Jaffer**): (a) Will the Secretary of the Defence Department be pleased to state if a message of thanks has been received from the Premier of the New Republic of Indonesia expressing the Indonesian Republic's warm gratitude for the presence of Indian troops in Indonesia during the recent disturbances and for the manner in which Indian troops conducted themselves?

(b) Do Goverment propose to have such messages, if any, distributed as official orders of the day to all troops throughout India?

Mr G S. Bhalja: (a) A congratulatory message of thanks was given by Dr Shahriar at a farewell party to British and Indian officers in Batavia This message was covered by *Reuters* News Service and was published, in part, in India by the *Statesman* and the *Dawn* on the 25th November 1946

(b) The message was published in full in the *Fouji Akhbar*, dated the 7th December 1946, and it was therefore not considered necessary to issue it as an order of the day

INSTRUCTIONS TO TROOPS FIRING ON RIOTOUS CROWDS

626 ***Haji Abdus Sattar Haji Ishaq Seth** (on behalf of **Mr. Ahmed E. H. Jaffer**): (a) Will the Secretary, Defence Department, be pleased to state whether instructions have been given to the armed forces to shoot to kill or shoot to disperse only when firing on riotous crowds?

(b) Have any bombs been dropped at any time on riotous mobs?

Mr G S. Bhalja: (a) The orders issued to the troops for dealing with a riotous crowd authorise the use of only the minimum force necessary to disperse the crowd It is in the discretion of the Commander on the spot to decide how much force is essential to achieve this object

(b) No, Sir

Haji Abdus Sattar Haji Ishaq Seth Arising out of the reply to part (a) of the question the Honourable Member has not made it clear as to what the orders issued are, whether the orders are to shoot to disperse or to shoot to kill, because there is a difference between the two

Mr G S. Bhalja: I can explain the position to the Honourable Member When an officer is required by a Magistrate or himself determines, under the Criminal Procedure Code, to disperse a crowd, he will make a disposition of his detachment in a certain way His instructions are that care must be taken not to fire on persons separated from the crowd who do not appear to be acting with it or inciting it, or over the heads of the latter The firing must be carried out with steadiness and be stopped the moment it becomes unnecessary Firing with blank is forbidden The fire, if fire is necessary, must be effective And it is laid down that the firing must be aimed low (that is at the legs) The intention obviously is not to kill but to immobilise

EXCHANGE OF POPULATION FROM ONE PROVINCE TO ANOTHER

627 ***Haji Abdus Sattar Haji Ishaq Seth** (on behalf of **Mr Ahmed E. H. Jaffer**) Will the Honourable the Home Member be pleased to state whether Government propose to consider the appointment of a Committee to consider and make recommendations as regards the exchange of population from one province to another?

The Honourable Sardar Vallabhbhai Patel No

REHABILITATION AND COMPENSATION TO VICTIMS OF COMMUNAL RIOTS

628 ***Haji Abdus Sattar Haji Ishaq Seth** (on behalf of **Mr. Ahmed E. H. Jaffer**) Will the Honourable the Home Member be pleased to state whether Government have been in communication with the Provincial Governments concerned regarding the question of rehabilitation and compensation of victims of communal riots?

The Honourable Sardar Vallabhbhai Patel No

PROGRESS OF THE SERAI PURANI IDGAH SCHEME, DELHI

629. ***Mr. B. B. Varma** (a) Will the Secretary of the Health Department be pleased to lay on the table of the House a detailed statement on the Serai Purani Idgah Scheme Part I, Ward No 14, Delhi, as sponsored by the Delhi Improvement Trust?

(b) What progress has been made in respect of this scheme?

(c) What is the underlying idea of this scheme?

Mr S. H. Y Oulsnam: (a) A note describing the salient features of the scheme is laid on the table of the House and a copy of the lay out plan is being placed in the library of the House

(b) Information is being collected by the Trust preparatory to the institution of acquisition proceedings

(c) The principal objects of the scheme are slum clearance, opening up of a congested area and provision of essential services which are now for the most part lacking

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A note on the Serai Purani Idgah slum clearance and Development scheme

1 *Object*—The scheme aims at the opening up and development of an area of 15 6 acres, bounded as under —

North Sadar Bazar

East—Idgah proper, Gali Pan Mandi and Gali Giarah.

South—Idgah Road

West—Mondhewalan Road

At present it consists mostly of insanitary ill ventilated and low roofed dwellings, and is ill serviced and highly congested It is proposed to provide metalled roads, with proper footpaths, an underground sewerage system, storm water drains, water supply and electricity

2 *Area details*—(1) The gross area of 15 60 acres (75,267 sq yds) includes the following —

	Sq yds
(a) Private land scheduled for acquisition	13,443
(b) Nazul lands on long term lease	16,000
(c) Nazul lands on monthly lease	17,739
(d) Under perpetual lease of Hira Lal Jain High School	768
(e) Nazul land in the possession of Delhi Municipal Committee for a dispensary	1,312
(f) Nazul land under the lease of the Delhi Municipal Committee for a meat market	299
(g) Privately owned land in respect of which betterment fee is to be charged	1,261
(h) Nazul plots on Mondhewala Road already sold freehold	5,027
Area under religious buildings	1,093
(j) Area under existing roads and lanes	16,330
	75, 67

(2) The distribution of the gross area after the execution of the scheme will be as follows —

	Sq yds
(a) Area available for sale	28,335
(b) Area in respect of which betterment fee is to be charged	1,695
(c) Nazul land in possession of the Delhi Municipal Committee for dispensary	1,312
(d) Nazul land in the possession of the Delhi Municipal Commitee for meat market	299
(e) Nazul plots on Mondhewala Road already sold	5,027
(f) Land under the Hira Lal Jain High School	768
(g) Area of proposed roads and lanes	22,937
(h) Area of existing roads and lanes left over	2,892
(i) Area under religious buildings	1,093
(j) Area of open spaces	10,309
(k) Area for sweepers quarters and latrines	600
	75,267

3 *Population capacity* —On the basis of 200 persons per acre of built up area, the scheme is expected to provide accommodation for about 1,448 persons in an area of 35,057 square yards (7 24 acres) available for building

4 *Acquisition* —All private land and all outstanding interests of the lessees in the Nazul lands under their leases, with the exception of those mentioned against items (d), (e), (f), (h) and (i) in para 2(1) above and those scheduled for betterment (see below) will be acquired for the execution of the scheme An average rate of Rs 20 per square yard has been adopted for acquisition of land A separate allowance of 15 per cent has been made for compulsory acquisition Compensation for buildings has been based on the rates prevalent in 1940 when the scheme was notified, an increase of 50 per cent, being provided for in consideration of the higher rates of building materials now prevailing

5 *Betterment* —An area of 1,695 sq yds as per details below, is scheduled for better ment —

Plot No	Area
(According to the Shajra of Sadar Bazar South Nazul Estate)	(Square Yards)
34	60
35	50
36	162
37	86
38	81
39	70
40	70
41	89
42	233
43	65
44	84
45	154
109	
(According to the Shajra of Qudam Sharif Nazul Estate)	
171/4	222
172/4/1	111
170/4/2	111

6 *Expenditure* —An expenditure of Rs 8,00 227 is proposed on the scheme according to the following details —

(a) Acquisition—

	Rs
(i) Compensation for 13,448 sq yds of land at Rs 20 per sq yd	2,68,960
(ii) *Add* 15% for compulsory acquisition	40,344
(iii) Compensation for structures (iv) *Add* 15% for compulsory acquisition	1,71,443
Total for acquisition and compensation	4,80,747

(b) Works	Works outlay	Departmental Charges	Total
1 Roads	1,19,732	14,967	1,34,699
2 Sewers	36,764	4,596	41,360
3 S W drains	11,965	1,496	13,461
4 F W Supply	14,841	1,855	16,696
5 Street lighting	20,000	2,500	22,500
6 Levelling	56,280	7,035	63,315
7 Public latrines and sweepers quarters	14,600	1,825	16,425
8 Open spaces	1,651	206	1,857
9 Maintenance during construction	6,280	778	7 058
10 Preliminary survey	1,874	234	2,108
Total	2,83,987	35,492	3,19,479 or 3,19,480

7 *Income*—

	Rs.
(a) From sale of 28,335 sq yds freehold at Rs 30 per sq yd average	8,50,050
(b) From betterment fee on 1,695 sq yds at Rs 5 per sq yd	8,475
Total	8,58,525

8 *Financial Aspect*—Taking the figures as above and allowing for interest charges at Rs. 4½ p a, as also for maintenance for one year after construction, the scheme is anticipated to result in a deficit of Rs 0·01 lakh as shown below —

	Rs	Rs
Estimated capital income		8 59 lakhs
Estimated works expenditure	8 00 lakhs	
,, interest charges	0 56 ,,	
,, expenditure on maintenance after construction	0 04 ,,	
		8 60 ,,
Net deficit		0 01 lakh

Further, the loss in ground rent to the Trust from the Nazul lands under lease will be Rs. 4,049-2-3 p a and its capitalised value on 20 years purchase is Rs 80,982 13-0

9 *Details of Engineering Works*—(1) *Roads, lanes and footpaths*—Main roads, i e, those 60′ and 30′ wide will be cement concreted There will be 7″ soling, 3″ wearing coat of 1½″ metal and 5″ cement concrete 1 2 4 Other roads will be painted and will have 3″ soling and 2″ wearing coats of 4½″ each All the roads which have no kerbing will have brick edging at the ends. The existing lanes which are in a dilapidated condition will be scarified and given an additional wearing coat of 3″ of 1½″ metal and 2 coats of painting

(2) *Sewerage and Storm Water Drains*—A combined system of sewerage and storm water drains has been adopted The entire sewerage will be connected with the existing sewers on the Idgah Road and Pan Mandi and Qutab Road The sizes of the sewers range from 12″ to 6″ These sewers have been designed to carry storm water at the rate of ½″ per hour including a discharge of 30 gallons per hour to flow in 4 hours taking a population of 200 persons per acre. Gully gratings at suitable intervals along the road will be provided to intercept storm water and discharge it into the underground sewers

(3) *Filtered water supply* —The supply has been taken from the existing mains, 10" on Idgah Road, 6" on Mondhewala Road and 6" on Sadar Bazar Road and 6" on Pan Mandi Road The sizes range from 9" to 3" Necessary sluice valves and 17 fire hydrants have been provided to sewer the whole area

(4) *Street lighting* —The wires will be overhead with poles at 100'—150' apart depending upon the situation

(5) *Open spaces* —Open spaces will be levelled and ½" rod bajri will be spread over

(6) *Public latrines* —Two blocks of latrines, six seated each, with a bath, a urinal and a sweeper's quarter attached to each, are provided in the estimate

Pandit Sri Krishna Dutt Paliwal. May I know if adequate arrangements are being made for bathroom, electricity and lavatory, etc ?

Mr. S. H. Y Oulsnam Yes With the rehousing scheme each house will be provided with a separate water tap and a separate flush latrine and electricity

Mr. B B Varma: Before acquiring these houses, will the people be provided with accommodation?

Mr S H Y Oulsnam All persons whose income does not exceed Rs 50 a month will be entitled to re housing

Mr B B Varma When will the scheme be put into force?

Mr S H Y Oulsnam As soon as the necessary arrangements can be made

Shri Mohan Lal Saksena Before these houses are acquired, will they be provided with accommodation?

Mr. S H Y Oulsnam Before the persons are evicted arrangements will be made for their accommodation

Mr B B Varma Will the owners of these houses be granted compensation and what will be the form of payment?

Mr S H Y Oulsnam Acquisition proceedings have not yet started When they start compensation will be granted

REPRESENTATIONS AGAINST SERAI PURANI IDGAH SCHEME DELHI

630 *Mr. B B. Varma: (a) Will the Secretary of the Health Department please state whether Government have received any representation from the inhabitants of Ward No 14, Delhi, during the month of October, 1946 against the Serai Purani Idgah Scheme Part I?

(b) If the reply to part (a) above be in the affirmative, do Government propose to take steps to redress their grievances? If not, why not?

(c) In view of the fact that housing problem in Delhi is very acute, do Government propose to withdraw the scheme in the interest of the people who will otherwise be adversely affected? If not why not?

Mr S. H Y Oulsnam (a) Yes

(b) and (c) Information regarding the persons affected is being collected The scheme will not be proceeded with unless Government are satisfied that no serious hardship will be caused

NON INDIANS AS ASSISTANT CONTROLLERS IN SALVAGE ORGANISATION

631. *Pandit Sri Krishna Dutt Paliwal: (a) Will the Secretary of the Defence Department be pleased to state the reason or reasons for having non-Indians in all the three posts of Assistant Controllers in the Salvage Organisation?

(b) Do Government propose to appoint Indians to these posts? If so, when?

Mr G. S Bhalja: (a) Indian officers possessing the requisite experience and of suitable rank have not been available for this type of employment

(b) As soon as Indian officers possessing the requisite experience and of suitable rank can be spared from more active military duties the question of appointing Indians will be immediately taken up

Haji Abdus Sattar Haji Ishaq Seth: Are Indians being trained for this salvage operations work?

Mr G S Bhalja No special training is necessary Although no special qualifications are laid down for the appointment of Assistant Controllers of Salvage, selection for these posts are made from officers of high integrity who display initiative and drive, who have experience of organisational administration and who have technical knowledge of defence services equipment and stores

Khan Abdul Ghani Khan Does the Defence Secretary imply that he can not find a single Indian with drive etc ?

Mr G S Bhalja As soon as men can be spared from more active military duties, they will be appointed to these posts

Shri Mohan Lal Saksena What steps are being taken to get Indians for such appointments?

Mr G S Bhalja The House is aware that the Nationalization Committee is going into the whole question of fixing suitable dates for nationalization of all branches of the Services

Mr Vadilal Lallubhai Within what time does the Government think they will be able to get the right type of Indian personnel?

Mr G S Bhalja The whole question is being examined by the Nationalization Committee and Government will await the report of that Committee before they can make any announcement on the subject

Sardar Mangal Singh In view of the fact that the Prime Minister of England has declared that after June 1948 the defence of India will be the concern of the Indian people, may I know whether the Government of India have given further instructions to the Nationalization Committee to fulfil the requirements created by this statement?

Mr. G. S. Bhalja No further instructions have yet been issued

Sardar Mangal Singh: May I know if it is a fact that for the course at the Staff College, Quetta, there are fewer Indians this year than last year?

Mr G S Bhalja May I suggest that this does not arise out of the subject matter of the question

Shri Mohan Lal Saksena: Apart from the question of the recommendations of the Nationalization Committee, the Honourable Member has just said that as soon as Indians could be spared they will be taken up I say, what steps are being taken to relieve them of those duties?

Mr G S Bhalja Obviously the Government must consider the necessities of the various branches in the service and decide as to where available men can be more aptly utilised for more active military duties or for duties of this kind

Sardar Mangal Singh I request the Government of India, particularly now that the Honourable the Defence Minister is here, to issue fresh instructions to the Nationalization Committee to speed up the pace of Indianization in view of the statement made by the Prime Minister of England

Mr. G S Bhalja: The terms of reference of the Nationalization Committee definitely lay down that they should make recommendations to Government as to the shortest time possible within which the whole service can be nationalised

GRIEVANCES OF THE HINDI SPEAKING PUBLIC re LANGUAGE POLICY OF ALL INDIA RADIO

632. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable Member for Information and Broadcasting please state the steps Government have taken up till now to remove the grievances of the Hindi speaking public as regards the language policy of the All-India Radio?

The Honourable Sardar Vallabhbhai Patel The language policy of All India Radio is under consideration of Government and an announcement will be made shortly

LIABILITY OF INDIA FOR PURPOSES OF ALLOCATION OF DEFENCE EXPENDITURE BETWEEN INDIA AND U K

†**633 *Seth Govind Das** Will the Honourable the Finance Member be pleased to state

(a) the basis on which the normal liability of India has been fixed for purposes of allocation of Defence Expenditure between His Majesty's Government and India,

(b) whether Government are aware that the adoption of the Normal Numbers, fixed in the beginning of the war years, for purposes of adjustment of Defence Expenditure over a period of six years has involved considerable financial loss to this country, and

(c) whether Government propose to consider the advisability of revising the annual financial adjustments of Defence Expenditure effected upto now?

The Honourable Mr Liaquat Ali Khan (a) The amount of the defence budget for 1939-40

(b) No

(c) Does not arise

FINANCIAL AID ARRANGEMENTS BETWEEN UNITED STATES GOVERNMENT AND INDIA UNDER LEASE/LEND AGREEMENT

†**634 *Seth Govind Das.** Will the Honourable the Finance Member be pleased to state

(a) the total financial aid rendered to India by the United States Government under the terms of the Lease/Lend Agreement, and the total financial aid rendered by India to the United States forces under the terms of the Reciprocal Aid Agreement, and

(b) whether it is a fact that India, on the whole, has suffered financial loss on account of these agreements?

The Honourable Mr Liaquat Ali Khan (a) I would refer the Honourable Member to the Press Communique issued by the Government of India on the 31st May 1946, for the desired information and an explanation of the Lease/Lend and Reciprocal Aid settlement

(b) No, Sir

EXPENDITURE ON INDIAN TROOPS IN JAPAN

†**635 *Seth Govind Das:** Will the Secretary of the Defence Department be pleased to state

(a) whether any agreement has been reached with His Majesty's Government regarding the allocation of the expenditure on Indian troops stationed in Japan as a part of the British and Indian Occupation Forces

†Answer to this question laid on the table, the questioner being absent.

(b) if so, the share of India in the expenditure,

(c) the number of British Officers and personnel that are at present in Japan as a part of the Indian Occupation Forces, and

(d) whether it is a fact that the same differences in pay, conditions of service and amenities, as are obtaining in India with respect to a British member and an Indian member of the Armed Forces of India continue to exist in the occupation forces also?

Mr. G. S. Bhalja (a) Yes Sir

(b) India bears the cost of initial equipment, transportation charges, and such portion of the pay charges of her troops as is not drawn in Yen currency. The rest of the maintenance charges of all the Commonwealth contingents, in so far as they are not borne by the Japanese Government, are pooled and shared among the Governments concerned according to the fighting strength of their respective contingents India's present share of the pooled expenses under this arrangement is 24 per cent

(c) There were 881 British Officers and personnel forming part of the Indian Occupation Forces in Japan on 1st January 1947

(d) No, Sir, Indian and British officers of the Indian Army draw the same rates of pay when serving overseas with the occupation forces The pay of Indian Troops is, no doubt, different from that of British Troops, but as the former get certain extra emoluments like expatriation allowance when out of India, the difference between the pay of Indian and British Troops becomes smaller In the matter of amenities Indian and British Troops of the Indian Contingent are treated alike

WITHDRAWAL OF INDIAN TROOPS FROM ABROAD

†636. ***Seth Govind Das:** Will the Secretary of the Defence Department be pleased to state

(a) if Government are aware of the assurance given to this House during the last Session that all Indian troops abroad will be withdrawn by the end of November, and

(b) if the above assurance has been implemented?

Mr G S Bhalja (a) and (b) The assurance related to Indian troops in Indonesia, all of whom were withdrawn by the end of November

DIFFICULTIES EXPERIENCED BY INDIAN STUDENTS IN ENGLAND

637. ***Sri R Venkatasubba Reddiar** Will the Honourable Member for Education be pleased to state

(a) whether Government are aware of the difficulties experienced by Indian students in England and their representation to the India House,

(b) whether it is a fact that students sent from this country find it difficult to get admission into efficient institutions and also accommodation,

(c) if the answer to part (b) is in the affirmative, the steps Government propose to take to secure admission and accommodation for these students, and

(d) the steps that are proposed to be taken to prevent such difficulties arising in future?

آنریبل مولانا ابوالکلام آزاد (اے) ہاں

(بی) ہاں جناب - ہندوستانی طالب علموں کے دھلے سہلے کا اور یونیورسٹیوں میں جگہ پانے کا معاملہ بہت کٹھن ہورہا ہے - برٹش یونیورسٹیاں اُمید واروں سے بھری ہوتی ہیں اور جتلی اِن میں سمائی ہوتی ہے اس سے کہیں زیادہ اُمید واروں کی بھیڑ ہوتی ہے - بڑا سبب اس کا یہ ہے

†Answer to this question laid on the table, the questioner being absent

کہ لڑائی کے بعد جو لوگ نوکریوں سے الگ کئے گئے ہیں - اب اچانک اُن کے لئے جگہیں نکالی جارہی ہیں - یونیورسٹیوں میں ۹۰ فیصدی جگہیں اُن کے لئے خاص کر دی گئی ہیں اور بہت تھوڑی جگہیں ایسی رہ گئی ہیں جو دوسرے اُمیدواروں کو مل سکتی ہیں- ایسی صورت حالات کا لازمی نتیجہ یہ ہے کہ جو پرائیوٹ اور گورنمنٹ اسکالرز وہاں جاتے ہیں اُن میں سے سب کو موقع نہیں ملتا کہ اچھے درجے کے انسٹی ٹیوشن میں جگہ پا سکیں -

اسی طرح جہاں تک رہنے سہنے کا تعلق ہے وہاں عام طور پر جگہ کی سخت کمی ہے اور سرکاری دفتر پوری کوشش کرنے پر بھی ایسا نہیں کر سکتا کہ ہر طالب علم کے لئے اچھے درجہ کا انتظام ہو جائے - خاص طور پر ایسے طالب علموں کے لئے جو بغیر نوٹس دئے وہاں پہونچ جاتے ہیں یا نوٹس دینے بھی ہیں تو بہت کم وقت کی -

(سی) اور (ڈی) - لندن کے ایجوکیشن ڈپارٹمنٹ میں جو ہائی کمشنر لندن آفس سے تعلق رکھتا ہے- اسکا پورا انتظام موجود ہے کہ ہندوستانی طالب علموں کو رہنے سہنے اور یونیورسٹیوں میں جگہیں پانے کے لئے ہر طرح کی مدد دیجائے لیکن گورنمنٹ نے معاملہ اسی پر نہیں چھوڑ دیا بلکہ وہ کوشش کر رہی ہے کہ اس آرگنائزیشن کو اور زیادہ مضبوط کر کے اور ایک نئی ویلفیر برانچ اس غرض سے کھول دی جائے-

The Honourable Maulana Abul Kalam Azad. (a) Yes

(b) Yes The position with regard to the admission and accommodation of Indian students in the United Kingdom is very difficult British Universities have been and are likely to be for some time extremely overcrowded on account of rush of demobilised personnel to educational institutions As 90 per cent of the available seats have been reserved for British ex-servicemen and women, very few seats are left in the British Universities and Institutions for other students It is therefore, inevitable that out of the very large number of Indian students, both private and Government Scholars, now going to the United Kingdom for studies, some do not succeed in obtaining admission to the best institutions

Similarly with regard to accommodation there is a general shortage in the United Kingdom and the authorities concerned, in spite of their best efforts, are unable in all cases to make satisfactory arrangements, particularly for those students who reach the country without notice or at very short notice

(c) and (d) Arrangements already exist in the Education Department of the High Commissioner's Office in London for helping students to secure admission and accommodation It is now proposed to strengthen the organisation and to set up a separate Welfare Branch to deal with the problem of accommodation Last year one hostel for Indian students in London and another in Edinburgh were purchased and the proposal to set up a Reception and Transit Camp in London is now under consideration

Sri R. Venkatasubba Reddiar: Sir, I have not understood the Hindustani reply to my question

Mr President: A translation of the reply will be supplied to the Honourable Member later on

Sri R. Venkatasubba Reddiar: I want to put supplementary questions

Shri D. P. Karmarkar: With regard to part (d) of the question may I know whether Government are taking steps to create more and more facilities in India itself for tuition in faculties for which people are sent abroad?

آنریبل مولانا ابوالکلام آزاد ہاں اسکی پوری کوشش کیجا رہی ہے۔ نئی کمیٹی بیٹھی ہے جو اس معاملہ میں نئے سرے سے غور کریگی۔

The Honourable Maulana Abul Kalam Azad Yes, every effort is being made in this respect. The new Committee will consider this question *de novo*.

Mr Tamizuddin Khan Will the Honourable Member please state whether Government scholars also find it difficult to secure admission in any British Universities after going to the United Kingdom?

آنریبل مولانا ابوالکلام آزاد ہاں یہ مشکل پیش آ رہی ہے۔

The Honourable Maulana Abul Kalam Azad Yes, this difficulty is being encountered.

Mr Tamizuddin Khan Will the Honourable Member please state why the admission of Government scholars is not previously arranged before they go to the United Kingdom?

آنریبل مولانا ابوالکلام آزاد : لڑائی کی وجہ سے اس طرح کا انتظام نہیں ہو سکتا تھا لیکن جہاں تک مجھے معلوم ہوا ہے کہ جن لوگوں کو بھیجا گیا ہے اُنکو پوری طرح وارننگ دیدی گئی تھی کہ وہاں کے حالات ایسے ہیں اور اُنکو مشکلات پیش آئیں گی۔

The Honourable Maulana Abul Kalam Azad Owing to War, this sort of arrangement could not be made, but, so far as my information goes, scholars, who were sent abroad, were fully warned of the conditions in these countries and of the difficulties that they would have to face there.

Sri R. Venkatasubba Reddiar: Will the Government consider the desirability of discontinuing the awarding of scholarships till sufficient accommodation is secured for the scholars in the United Kingdom?

آنریبل مولانا ابوالکلام آزاد : جیسا کہ میں نے ابھی آنریبل ممبر کی توجہ دلائی ہے کہ نئی کمیٹی بیٹھائی گئی ہے جو کہ اس معاملہ میں نئے سرے سے غور کریگی۔

The Honourable Maulana Abul Kalam Azad: As I have already brought it to the notice of the Honourable Member a new Committee has been set up who will consider this question afresh.

مسٹر محمد نعمان : میں یہ جاننا چاہتا ہوں کہ اس وقت جو اسٹوڈنٹس وہاں جاتے ہیں اُنکی خوراک وغیرہ کے انتظام کے لئے کچھ روپیہ زیادہ کر دیا گیا ہے یا وہی ریٹ ہے جو اُن سے پہلے لیا جاتا تھا۔

Mr. Muhammad Nauman I want to know if arrangements have been made to increase the stipends of the scholars who are at present proceeding abroad or they are being paid at the old rate?

آنریبل مولانا ابوالکلام آزاد : اس کے لئے نوٹس ملنا چاہئے۔

The Honourable Maulana Abul Kalam Azad: I want notice to answer this question.

شری موہن لال سکسینہ کیا میں یہ جان سکتا ہوں کہ اِس کمیٹی کے کتنے ممبر ہیں۔

Shri Mohan Lal Saksena. May I know the number of the members of this Committee

آنریبل مولانا ابوالکلام آزاد بہت جلد اسکا اعلان ہو گا۔

The Honourable Maulana Abul Kalam Azad It will be announced very soon

HIGH COST OF LAND SOLD BY DELHI IMPROVEMENT TRUST

638. *Sardar Mangal Singh. Will the Secretary of the Health Department please state

(a) whether it is a fact that the Improvement Trust, Delhi, sells land by auction at high rates which are beyond the means of poor and middle class people,

(b) whether it is a fact that the Improvement Trust was created with a view to provide better houses to the poor and middle class people by giving land to such people at reasonable rates and if so, why there is a departure from this, and

(c) if replies to parts (a) and (b) above are in the affirmative, whether Government propose to consider the question of issuing instructions with a view to providing land to middle class people for building purposes at reasonable cost?

Mr S H. Y Oulsnam (a) The Improvement Trust ordinarily sells land by auction or tender It is a fact that the prices received by the Trust for land sold since the war are high

(b) The Trust was created to ensure planned town development and to enable existing urban areas to be improved

(c) The question is under consideration

Lala Deshbandhu Gupta Is it a fact that during the last four years the Improvement Trust has been charging four hundred to five hundred per cent more price on lands than was charged before?

Mr S H Y Oulsnam The Trust disposes of land by tender or by auction and takes

Lala Deshbandhu Gupta I want to know whether the increase in price has been to the extent mentioned by me?

Mr S H Y Oulsnam. I should have notice of that question

Lala Deshbandhu Gupta Will the Honourable Member please state whether the Trust has prepared any development schemes for the areas which were advertised some ten years ago under the Town Expansion scheme?

Mr S H. Y. Oulsnam I do not know what particular areas the Honourable Member is referring to but if he will put down a question I shall answer it

Sardar Mangal Singh Is it not a fact that the Improvement Trust have been acquiring land at Government price and selling the same at market prices?

Mr S H. Y Oulsnam: The Improvement Trust buys undeveloped land and then it provides the services, roads water and sewerage, and sells it as building plots Naturally the price which the Trust receives for developed land is a higher price than what it pays for undeveloped land

Lala Deshbandhu Gupta Is it not a fact that the Improvement Trust has by the sale of land so far realised about one crore of rupees?

Mr. S H Y Oulsnam: I cannot give the figures off hand but it certainly has made a profit on certain schemes The intention is that those profits shall be used to offset the losses on slum clearance

EMPLOYMENT FOR STUDENTS WHO NON COOPERATED FROM EDUCATIONAL INSTITUTIONS

†639. *Shri Sri Prakasa: Will the Honourable Home Member be pleased to state

† Answer to this question laid on the table, the questioner being absent

(a) whether Government are aware that in the course of political movements during the last twenty-five years, students were asked to non-co-operate from schools, colleges and universities by political leaders,

(b) whether Government are aware that a large number of students did so non-cooperate,

(c) whether it is a fact that for employment Government only recognise degrees of official educational institutions, and

(d) whether Government propose to consider the desirability of making such amendments in the existing rules and conventions so as to enable persons who had non-cooperated from educational institutions in the earlier years, to obtain employment under the present Government?

The Honourable Sardar Vallabhbhai Patel (a) Yes in connection with the first non cooperation movement

(b) Yes

(c) No

(d) No

REVISED FORMS TO ASSESSEES OF INCOME TAX

†640. ***Shri Sri Prakasa**: Will the Honourable the Finance Member be pleased to state

(a) whether the attention of Government has been drawn to the correspondence between his predecessor Sir Archibald Rowlands and myself regarding the language used on certain forms sent to the assessees of income-tax by income-tax officers, and

(b) whether Government are aware that Sir Archibald had promised to get the language changed, and if so, why are the revised forms not used?

The Honourable Mr Liaquat Ali Khan (a) I have seen the correspondence referred to

(b) Yes, Sir Archibald agreed that the form of Notice under section 23(2) of the Income-ax Act should be revised The new form has since been printed and will be available for use in Income tax offices when the new stock of forms is supplied to them for the year 1947 48

SHORT SUPPLY OF SALT

†641 ***Shri Sri Prakasa** Will the Honourable the Finance Member be pleased to state

(a) whether Government are aware that there has been a shortage of salt supply to various centres,

(b) whether Government are aware that salt has been sold in Benares for as much as eight annas a seer, and

(c) the steps, if any that Government have taken for adequate supply of salt to all centres?

The Honourable Mr Liaquat Ali Khan (a) Yes, Sir, in the United Provinces and some districts of Bihar

(b) Yes, in rare cases

(c) The railway authorities have taken steps to speed up the movement of salt from Rajputana to the United Provinces and Bihar to repair the shortage, which was occasioned by shortage of wagons and locomotive power A special quota of salt from the Salt Mines at Khewra also has been allotted for supply to the deficit areas in the United Provinces The position since the end of January has undergone considerable improvement

† Answer to this question laid on the table, the questioner being absent

MUSLIMS IN CENTRAL ORDNANCE DEPOT, CHHEOKI

642. *Mr. Muhammad Rahmat Ullah: Will the Secretary of the Defence Department please state

(a) the total number of Extra Temporary Employees working in the Central Ordnance Depot, Chheoki,

(b) the total number of Muslim Extra Temporary Employees working in that Depot, and

(c) the percentage of Muslim employees in the above establishment?

Mr. G. S Bhalja. (a) 12,233

(b) 2,019

(c) 16 5 per cent

Mr Muhammad Nauman With reference to part (c) of the question the Honourable Member s reply was 16 5 per cent , whereas it should have been 25 per cent according to the recruitment rules of 1934 and these appointments were made after the passing of that resolution

Mr. G. S Bhalja. Sir, I have said more than once on the floor of this House that in the armed forces there is no fixation of communal quotas for any branch of the services Communal quotas, however, applied to civilian personnel, but they were suspended during the war

Mr Vadilal Lallubhai: May I know how long these people have been on temporary employment?

Mr. G S. Bhalja. I must ask for notice of that question

Mr Vadilal Lallubhai If there are more people employed than necessary will the Honourable Member have them retrenched?

Mr. G. S Bhalja Yes, Sir We cannot have more persons than are required merely to slow down the progress of retrenchment

Mr Vadilal Lallubhai Is the Honourable Member aware that in some offices there is very little work and still people are kept on?

Mr G S Bhalja. I am not aware of the position If the Honourable Member brings to my notice any particular instance I shall certainly look into it

Sardar Mangal Singh: Is it a fact that some of the people remain temporary all their lives?

Mr G. S Bhalja I do not know how it arises out of this question

RETRENCHMENT OF EXTRA TEMPORARY EMPLOYEES IN CENTRAL ORDNANCE DEPOT, CHHEOKI

643. *Mr. Muhammad Rahmat Ullah. Will the Secretary of the Defence Department please state

(a) whether it is a fact that a general retrenchment of the Extra Temporary employees will begin in the month of March, 1947, in the Central Ordnance Depot, Chheoki,

(b) whether Government propose to adhere to the D C P Routine Order No 497 of 1946 allotting 25 per cent quota of the total services to the Muslims when the proposed retrenchment takes place in that Depot, and

(c) whether Government have any scheme under consideration for re-absorbing the persons affected by the proposed retrenchment in that Depot?

Mr. G. S. Bhalja (a) 1,500 will be retrenched during April 1947 after being given the normal period of notice

(b) Yes, Sir There is no change in the policy so far

(c) Resettlement of discharged personnel is the responsibility of the Labour Department who have set up labour exchanges to assist in finding re employment for retrenched personnel

Mr Muhammad Nauman: Will the Honourable Member please state the reason why the quota of 25 per cent is being observed in retrenchment whereas it is not being so observed in the matter of recruitment?

Mr G S Bhalja. The reason for that is that so far as civilian departments are concerned, before the war certain communal proportions were laid down and the Government of India issued instructions that when retrenchment is made, in the process of retrenchment deficiencies in the communal proportions should be made good

REPORT OF NAVAL ENQUIRY COMMITTEE

644 *Shri Mohan Lal Saksena With reference to the answer to starred question No 192 asked on 11th February 1947 regarding the report of the Naval Enquiry Commission, will the Secretary of the Defence Department be pleased to state

(a) the ranks and emoluments of Commander King and Admiral Godfrey before the Royal Indian Navy Mutiny, as well as their ranks and emoluments at present, and

(b) whether Government propose to re-consider their cases and get them at least transferred from the Indian Navy?

Mr G S Bhalja (a) (i) Commander King —

Rank held before the mutiny—Commander

Rank held at present—Commander

Emoluments before the mutiny—Rs 1,968/ P M

Present emoluments—Rs 1,938/-

(ii) Admiral Godfrey —

Rank held before the mutiny—Vice-Admiral

Emoluments before the mutiny—Rs 3,300/

Admiral Godfrey relinquished Command of the Royal Indian Navy on the 28th of March 1946, and returned to the United Kingdom where he retired from the Royal Navy

(b) (i) Commander King —No, Sir This officer has already been tried by court-martial and under the Indian Navy Discipline Act, the Central Government can suspend, commute or remit a sentence *but cannot enhance it* Also it would be illegal to bring to trial or to punish a person twice for one and the same offence and on the same charge

(ii) Admiral Godfrey —Admiral Godfrey is no longer on loan to the R I N, as he relinquished his Command on the 28th March, 1946

STAFF OF THE CENTRAL CYPHER BUREAU

645. *Sardar Mangal Singh. Will the Honourable the Home Member be pleased to state

(a) the strength of the staff of the Central Cypher Bureau, temporary and permanent,

(b) the number of Indians and non-Indians employed there,

(c) the academic qualifications required for a Cypher Assistant,

(d) the academic qualifications of the present Indian and non-Indian staff of the Central Cypher Bureau,

(e) the number of demobilized (Women Auxiliary Corps) ladies recruited as Cypher Assistants, their nationality and qualifications,

(f) how the communal roster is maintained for Central Cypher Bureau posts whether the Home Department communal roster has been adhered to and

(g) what steps Government propose to take to check further recruitment of non Indians to Central Cypher Bureau until such time as the communal roster is in order?

The Honourable Sardar Vallabhbhai Patel The questions (Nos 645 and 646) should have been addressed to the Honourable Member for External Affairs They have accordingly been transferred to the List of Questions for the 4th March 1947

ANGLO INDIANS IN CENTRAL CYPHER BUREAU

†646. ***Sardar Mangal Singh** Will the Honourable the Home Member please state if it is a fact that the Type Section of the Central Cypher Bureau is composed of Anglo-Indian ladies only, if so, why are Indian male typists not recruited?

BAN AGAINST "*1942 ki Kiranti*"

647 ***Babu Ram Narayan Singh** Will the Honourable the Home Member please state

(a) how many books are still proscribed in Delhi Province,

(b) whether "1942 *ki Kiranti*", edited by Shri Sri Ram is still proscribed in Delhi Province, and

(c) whether any representation to lift the ban against "1942 *Ki Kiranti*" has been made, if so, when and with what result?

The Honourable Sardar Vallabhbhai Patel (a) Four

(b) Yes

(c) A representation for the lifting of the ban on '1942 *Ki Kiranti*" was received by Government on the 24th September 1946 It is under consideration and the Chief Commissioner has been asked to send a copy of the book for examination by Government

Babu Ram Narayan Singh So far as I remember and know, the representation was made about six months ago As such may I know how long the Government will take to consider this matter?

The Honourable Sardar Vallabhbhai Patel Many books had been proscribed before we took charge and many books had to be examined There are only four books left now and they are being examined This one is also under examination After examination it is sent by the Chief Commissioner with his remarks to Government and Government examine it in the Home Department

Babu Ram Narayan Singh Is the Honourable Member aware that barring Delhi, in all the Provinces the book is available, sold and read?

The Honourable Sardar Vallabhbhai Patel My Honourable friend has then no genuine grievance because it is freely sold outside

Babu Ram Narayan Singh When the book has not been proscribed outside Delhi why is it proscribed only in Delhi?

Mr President The Honourable Member is arguing

Lala Deshbandhu Gupta Will the Government consider the desirability of publishing the names of such books which had been proscribed before the Honourable Member took charge and which are no longer proscribed?

The Honourable Sardar Vallabhbhai Patel: All these bans that are lifted are always advertised

Lala Deshbandhu Gupta Should I take it Sir that no book which was proscribed before is at the moment proscribed?

The Honourable Sardar Vallabhbhai Patel There are only four books which are under proscription which are being examined

†For answer to this question, *see* answer to question No 645

Babu Ram Narayan Singh. How long will this consideration of the Govern ment take place may I know Sir?

The Honourable Sardar Vallabhbhai Patel If it is confined to Delhi only the Honourable Member has not much grievance if it is available everywhere else and we can take it up leisurely

Sardar Mangal Singh What is the machinery of examinati n by which the Government is looking into this matter?

The Honourable Sardar Vallabhbhai Patel It is not exa ined by any machinery but by individuals

Sardar Mangal Singh I want to know whether a speci l officer or a com mittee has been appointed for this purpose

The Honourable Sardar Vallabhbhai Patel There are officers in the Home Department who examine them

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UNSTARRED QUESTIONS AND ANSWERS

PROVISION OF CHEAP HOUSES FOR THE POOR AND THE DELHI IMPROVEMENT TRUST SCHEME SERAI PURANI IDGAH SCHEME

64 Sjt Seth Damodar Swroop Will the Secretary of the Health Depart ment please lay on the table of the House

(a) a copy of the revised conditions under which poor men will be provided with Government houses,

(b) a list of buildings which h ve not been acqu red by the Delhi Improve ment Trust in Serai Purani Idgah Scheme Part I Delhi and

(c) a list of the families getting benefit of the scheme?

Mr S H Y Oulsnam (a) I would refer the Honourable Member to the reply to Sri N Narayanamurthi s unstarred question No 32 on the 4th Novem ber, 1946

(b) It is reported that acquisition proceedings in the Serai Purani Idgah Scheme have not so far commenced A statement giving the numbers of the properties which have been exempted from acquisition is laid on the table of the House

(c) The Trust is taking a census of the persons who are likely to be affected by the execution of the scheme and the number of families which will be en titled to the benefits of the state aided re housing scheme will be known on com pletion of the census

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Statement giving the numbers of the properties which have been exempted from Acquisit on

Plot No (according to the Shajra of S dar Bazar South Nazul Estate)	Area (sq yds)	Plot No, (according to the Shajra of Sadar Bazar South Nazul Estate)	Area (sq yds)
34	60	171/4	222
35	50		
36	162	172/4/1	111
37	86		
38	81	170/4/2	111
39	70		
40	70		
41	89		
42	233		
43	65		
44	84		
45	154		
109	57		

IMPORT OF BRITISH ENGINEERS FOR EMPLOYMENT IN MILITARY ENGINEERING SERVICE

65. Sardar Mangal Singh. Will the Secretary of the Defence Department please state

(a) whether Government are aware that about ninety young British Engineers have been imported in the country towards the end of last year and are employed in Military Engineering Service,

(b) if the answer to part (a) above be in the affirmative, the reasons for such action at the time when the Armed Services are being Indianized,

(c) whether Government are aware that Engineer Officers Cadre of the Military Engineering Services of the Defence Department is being civilianized,

(d) if the answer to part (c) above be in the affirmative, what the scope of civilianization is and over what period it is spread,

(e) whether this period of civilianisation cannot be reduced in view of the nationalisation of the Armed Forces by putting into senior posts selected Indian Civilian Engineers, already working in the Department in the Grades recently sanctioned by the Government of India for Contract Officers,

(f) whether Government are aware that the Head of the Engineering Branch has issued instructions to the Chief Engineers to recommend *all* existing Indian Civilian Engineers for a fresh contract in the scale of Rs 750—30—1,050, and that he has not asked for any recommendations for posts in the grade of Rs 1 400—50—1 900 although both the grades have been very recently sanctioned for Indians, and

(g) if the answer to part (f) above be in the affirmative, whether it is a fact that there is no Indian Civilian Engineer already in the Department who is fit for the newly sanctioned posts in the higher grade of Rs 1,400—50—1 900?

Mr G S Bhalja (a) As part of the normal procedure a draft of 90 Royal Engineer Officers reached India towards the end of 1946

(b) These 90 officers were a normal replacement draft Steps are now, however, being taken to post them to the Occupation Forces in Burma and Malaya to replace MES officers who will thereby be released for return to India

(c) Yes, Sir

(d) The proposal is to civilianize two-thirds of the MES cadre in all categories and grades and to do so as soon as practicable

(e) It is the intention to appoint selected Indian Civilian Engineers wherever officers of suitable qualifications and experience are available, to fill senior posts

(f) This is not correct Recommendations in respect of both categories have been called for

(g) Does not arise

CIVILIAN ENGINEERS IN MILITARY ENGINEERING SERVICE

66 Sardar Mangal Singh. Will the Secretary of the Defence Department please state

(a) what academic qualifications and practical experience have been prescribed by Government for selection Grade referred to in the preceding question and for its equivalent grade in the Central Public Works Department,

(b) whether Government are aware that there are a few Civilian Engineers—Indians and non-Indians—on Contracts already working in the Military Engineering Service for several years,

(c) if so the number of Indians and non-Indians working as such,

(d) whether Government are aware that a retired British Brigadier is being appointed on Contract as a Civilian Engineer if so whether there is no Indian suitable for that post,

(e) whether Government are aware that Barrack Service is being introduced in the Military Engineering Service to absorb the present British Departmental Officers, and

(f) whether Government are aware that the British Officers who have recently arrived in India are replacing Indian Officers in the Eastern Command, if so, why and what is the number of Indian Officers who have thus been reverted?

Mr. G S Bhalja. (a) It is the intention that this grade, which corresponds to that of Superintending Engineer C P W D should be filled by officers of equivalent qualifications and experience

(b) Yes, Sir

(c) Indians 54, Non-Indians 8

(d) No such appointment has been made

(e) A Barrack Service is being introduced but will be staffed entirely by Indians, as far as possible by existing F and S personnel already serving in the M E S

(f) Two Sub Divisional Officers who were officiating as Assistant Engineers in the interval between the departure of British officers and the arrival of new officers were reverted to S D Os, the officers replacing them holding higher qualifications As already stated steps are being taken to post all 90 British officers when trained, forward to Burma and Malaya

SHORT NOTICE QUESTION AND ANSWER

H M G s Surplus War Stores

Maharajkumar Dr Sir Vijaya Ananda Will the Honourable Member for Industries and Supplies please state if Government propose to give this House an idea of the size of the surplus (His Majesty s Government war stores), which is the subject of negotiations at the moment?

The Honourable Sri C Rajagopalachari The representatives of the Ministry of Supply were in India to see how the work of disposals was going on and not to conduct any negotiations The question appears to have been asked under a misapprehension

Diwan Chaman Lal May I ask my Honourable friend, if it is a fact that in the recent negotiations of a preliminary nature in regard to the settlement of the sterling balances this particular matter did not come up

The Honourable Sri C Rajagopalachari The Finance Member will deal with what is necessary on that subject tomorrow

Diwan Chaman Lall Is it a fact that a demand has been made by the British Government for a very large sum of money arising out of the disposal of these surplus stores?

The Honourable Sri C Rajagopalachari I am not able to give information on that subject today

NOTIFICATION UNDER THE CENTRAL EXCISES AND SALT ACT, 1944—LAID ON THE TABLE

The Honourable Mr Liaquat Ali Khan (Finance Member) Sir, I lay on the table a copy of Notification No 11, dated the 23rd November, 1946 in accordance with section 38 of the Central Excises and Salt Act, 1944

NOTIFICATION

CENTRAL EXCISES

No 11 —In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (1 of 1944), the Central Government is pleased to direct that the following further amendments shall be made in the Central Excise Rules, 1944, namely

A In rules 197, 200 and 202 of the said Rules, before the word "saltpetre" the words 'composition for match heads", shall be inserted,

B In Appendix I to the said Rules, in Form R G 2

(1) for the words splints, veneers and composition for match heads, wherever they occur, the words 'splints and veneers shall be substituted,

(2) for the words Timber/Composition for match heads the word Timber' shall be substituted

W A ROSE,
Under Secretary to the Government of India

DECLARATION OF EXEMPTION UNDER THE REGISTRATION OF FOREIGNERS ACT—LAID ON THE TABLE

The Honourable Sardar Vallabhbhai Patel (Home Member) Sir I lay on the table a copy each of the following Declarations of Exemption issued under the Registration of Foreigners Act, 1939 —

(i) No 1/19/46 Poll (E), dated the 29th November, 1946,
(ii) No 1/20/46 Poll (E), dated the 6th December, 1946,
(iii) No 1/20/46 Poll (E) dated the 6th December, 1946,
(iv) No 1/20/46 Poll (E), dated the 6th December, 1946,
(v) No 1/20/46 Poll (E), dated the 6th December, 1946,
(vi) No 1/20/46 Poll (E), dated the 6th December, 1946,
(vii) No 1/21/46 Poll (E), dated the 7th December, 1946,
(viii) No 1/23/46-Poll (E), dated the 12th December 1946,
(ix) No 1/7/47 Poll (E), dated the 3rd February, 1947

1/19/46 POLL (E)

GOVERNMENT OF INDIA

HOME DEPARTMENT

New Delhi, the 29th November, 1946

DECLARATION OF EXEMPTION

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 FRANK J PIPICH for so long as he remains in India as a member of the staff of the American Consulate, Karachi

F SINGH,
Assistant Secretary to the Government of India.

1/20/46 POLL (E)

GOVERNMENT OF INDIA

HOME DEPARTMENT

New Delhi, the 6th December 1946

DECLARATION OF EXEMPTION

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 CAROLYN C JACOBS for so long as she remains in India as a member of the staff of the American Embassy, New Delhi

F SINGH,
Assistant Secretary to the Government of India.

1/20/46 POLL (E)

GOVERNMENT OF INDIA

HOME DEPARTMENT

New Delhi 3, the 6th December, 1946

DECLARATION OF EXEMPTION

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 Eva Antonia Karpischeck for so long as she remains in India as a member of the staff of the American Embassy, New Delhi

F SINGH,

Assistant Secretary to the Government of India

1/20/46-POLL. (E)

GOVERNMENT OF INDIA

HOME DEPARTMENT

New Delhi 3, the 6th December, 1946

DECLARATION OF EXEMPTION

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 Evelyn Campbell for so long as she remains in India as a member of the staff of the American Embassy, New Delhi

F SINGH

Assistant Secretary to the Government of India

1/20/46-POLL. (E)

GOVERNMENT OF INDIA

HOME DEPARTMENT

New Delhi 3, the 6th December 1946

DECLARATION OF EXEMPTION

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 Shirley Ida Mullins, for so long as she remains in India as a member of the staff of the American Embassy, New Delhi

F SINGH,

Assistant Secretary to the Government of India.

1/20/46 POLL (E)

GOVERNMENT OF INDIA

HOME DEPARTMENT

New Delhi 3, the 6th December, 1946

DECLARATION OF EXEMPTION

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 Abby Dilts for so long as she remains in India as a member of the staff of the American Embassy, New Delhi

F SINGH,

Assistant Secretary to the Government of India

1/21/46 POLL. (E)

GOVERNMENT OF INDIA

HOME DEPARTMENT

New Delhi, the 7th December, 1946

DECLARATION OF EXEMPTION

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 Dorothy Edythe Lawton for so long as she is employed in the Office of the United States Military Liaison Officer at New Delhi.

F SINGH,

Assistant Secretary to the Government of India

1/23/46 POLL. (E)

GOVERNMENT OF INDIA

HOME DEPARTMENT

New Delhi, the 12th December, 1946

DECLARATION OF EXEMPTION

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 Wayne M Hertwell for so long as he is employed in the American Consulate-General Bombay

F SINGH

Assistant Secretary to the Government of India

1/7/47 POLL. (E)

GOVERNMENT OF INDIA

HOME DEPARTMENT

New Delhi, the 3rd February 1947

DECLARATION OF EXEMPTION

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 J L Savage, an United States national, for so long as he is working for the Central Waterways, Irrigation, Navigation Commission in connection with the Kosi and Mahanadi Dams

F SINGH,

Assistant Secretary to the Government of India

DEMANDS FOR SUPPLEMENTARY GRANTS 1946-47

DEMAND NO 1—RAILWAY BOARD

The Honourable Dr. John Matthai (Member for Railways and Transport) I beg to move

"That a further supplementary sum not exceeding Rs 1,42,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1947, in respect of 'Railway Board'."

Mr. President: The question is

"That a further supplementary sum not exceeding Rs 1,42,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1947, in respect of Railway Board' "

The motion was adopted

DEMAND No 5—PAYMENTS TO INDIAN STATES AND COMPANIES

The Honourable Dr John Matthai: I beg to move

"That a supplementary sum not exceeding Rs 11,55,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1947, in respect of 'Payments to Indian States and Companies' "

Mr President The question is

"That a supplementary sum not exceeding Rs 11,55,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1947, in respect of Payments to Indian States and Companies' "

The motion was adopted

DEMAND No 6 C—WORKING EXPENSES—MAINTENANCE OF CARRIAGE AND WAGON LOCOMOTIVE POWER

The Honourable Dr John Matthai I beg to move

'That a further supplementary sum not exceeding Rs 2,74,70,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1947 in respect of 'Working Expenses—Maintenance and Supply of Locomotive Power "

Mr President. The question is

That a further supplementary sum not exceeding Rs 2,74 70,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1947 in respect of 'Working Expenses—Maintenance and Supply of Locomotive Power "

The motion was adopted

DEMAND No 6-C—WORKING EXPENSES—MAINTENANCE OF CARRIAGE AND WAGON STOCK

The Honourable Dr John Matthai I beg to move

That a further supplementary sum not exceeding Rs 1,19,73,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1947, in respect of Working Expenses—Maintenance of Carriage and Wagon Stock' '

Mr President The question is

"That a further supplementary sum not exceeding Rs 1,19,73,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1947, in respect of 'Working Expenses—Maintenance of Carriage and Wagon Stock' '

The motion was adopted

DEMAND No 6 F—WORKING EXPENSES—EXPENSES OF

The Honourable Dr John Matthai I beg to move

itary sum not exceeding Rs 22,36,000 be granted to the Governor
the charges which will come in course of payment during the year ending the 31st day of March 1947, in respect of 'Working Expenses—Expenses of General Departments' "

Mr President: The question is

"That a further supplementary sum not exceeding Rs 22,36,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1947, in respect of 'Working Expenses—Expenses of General Departments' "

The motion was adopted

DEMAND No 6 G—WORKING EXPENSES—MISCELLANEOUS EXPENSES

The Honourable Dr. John Matthai. I beg to move

That a further supplementary sum not exceeding Rs 3,40,80,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1947, in respect of Working Expenses—Miscellaneous Expenses' '

Mr President The question is

That a further supplementary sum not exceeding Rs 3,40,80,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1947, in respect of 'Working Expenses—Miscellaneous Expenses' "

The motion was adopted

DEMAND No 10 A—WITHDRAWAL FROM RESERVE

The Honourable Dr John Matthai I beg to move

That a supplementary sum not exceeding Rs 2,90 71 000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1947 in respect of Withdrawal from Reserve '

Mr President The question is

That a supplementary sum not exceeding Rs 2,90,71,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1947, in respect of withdrawal from Reserve

The motion was adopted

DEMAND No 12 A- CAPITAL OUTLAY ON VIZAGAPATAM PORT

The Honourable Dr John Matthai I beg to move

'That a supplementary sum not exceeding Rs 6,80,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1947, in respect of Capital Outlay on Vizagapatam Port' "

Mr President The question is

"That a supplementary sum not exceeding Rs 6,80,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March 1947, in respect of Capital Outlay on Vizagapatam Port' "

The motion was adopted

EXPLOSIVES (TEMPORARY PROVISIONS) BILL

Mr B. K Gokhale (Government of India Nominated Official) Sir, I beg to move

"That the Bill to continue for a limited period powers to exempt operations affecting ammunition, explosives and inflammable substances from certain restrictions and to regulate those operations, be taken into consideration "

(Mr B K Gokhale)

This is a very simple safety measure which I might say is free from any controversy But I might briefly explain the reasons why this Bill had to be introduced in this House The Indian Explosives Act of 1884 naturally contemplated conditions as existed at that time Explosives had not become so formidable and devastating at that stage, and, apart from the quality of explosives, the quantities involved in those early days were comparatively small Similar considerations governed the normal port rules, which means the rules made by the authorities in charge of Port Trusts to regulate transport and handling of explosives at the docks I am not quite clear what happened in the first world war, but presumably no special exceptions were necessary because the quantities involved even then were not so very large But, in the second world war it was very soon discovered that the normal explosives and port rules were too restrictive and could not possibly cope with the situation In 1940, therefore, Government issued orders under the Defence of India Act by which the naval or military officers in charge could, in circumstances of grave urgency, relax all the provisions of the normal port rules and the explosive rules and allow explosives to be handled at the quay side Ordinarily, of course, large explosives are not allowed to be handled at the docks They have to be handled in the stream or at certain special places, but this was not possible in war times and these relaxations were therefore, allowed The only two conditions imposed were, firstly, that the naval or military officer had to certify that the conditions were of grave urgency and secondly, he had to send copies of any orders which he issued to the Chief Inspector of Explosives and to the authorities of the port concerned Now these orders issued in 1940 under the Defence of India Rules were very hasty ones But there was no provision for consultation between the various authorities concerned For instance, there was no provision for consultation with the police authorities or with the authorities in charge of fire precautions, smoking in the docks and things of that kind Therefore, unfortunately, things were not quite on a sound footing and we had the terrible disaster which occurred in Bombay in April 1944 As a result of that explosion in the Bombay docks Government appointed a special Committee, which was called the Dangerous Cargo Committee, under the chairmanship of Major General Russell The Committee went exhaustively into the whole question and they decided that certain safety precautions were necessary in order that these explosives could be safely handled at the docks Government took prompt action and about the middle of 1944 they issued two notifications the net result of which was that the military officers ceased to have anything to do with this affair and everything was left to the naval officer in charge of the port concerned, and, secondly, the naval officer in charge of the port concerned could not allow explosives to be handled in contravention of the normal rules unless he was satisfied that all the safety precautions which the Committee considers necessary were enforced before any such explosives were handled at any port Now, these orders have worked extremely well and not only there has been no accident since then but there have been no complaints of any kind either from the port authorities or from any other persons concerned I think I might ask the Honourable Members of this House to take it that these orders were so comprehensive that they need have no hesitation in agreeing to further continuance of the same precautions which we have been observing for the last 2½ years for a short period of another two years for which we are asking this House to accept this Bill

Now, Sir, I will explain why it is necessary that these special arrangements should continue for another two years The war is over and it might well be argued that all these precautions might as well be discontinued The first reason why it is necessary to continue these orders is that the Defence of India Rules ceased to operate in September and although under the Ordinance these particular dangerous cargo regulations were continued in force until the 25th March 1947, if no legislation is introduced and if nothing further is done, there will be

no facility after the 25th March 1947 for handling these dangerous explosives At the same time, there is a very large quantity of surplus ammunition lying in various places in India I believe that the quantity involved is something like 150,000 tons and it is essential that this dangerous cargo should be got rid of as soon as possible It might be asked why we cannot utilise these explosives for constructive purposes? Why can't we take out the shells, the metal and the chemicals involved and utilise them for constructive purposes? The matter has been very carefully gone into and it has been found that the cost of converting these explosives for peaceful purposes would be quite out of proportion to the value of the explosives and, secondly, apart from the expenditure, the risk involved is tremendous Storage of these explosives—and they have been stored for a long time—automatically involves deterioration and any handling of these explosives now is a highly dangerous operation The experts are quite satisfied that the simplest and the safest way of dealing with these explosives is to drown them at sea I might say that this is what is being done throughout the world by all countries which have got such explosives which are surplus to their requirements It is not that we in India are going to follow any different policy The submerging of surplus explosives at sea is a well-recognised method and that is exactly what we want to follow

I have made careful inquiries to see whether this is going to mean any damage to fish and other life in the sea I am told that there is absolutely no risk As soon as these explosives are submerged into the sea, they gradually begin to deteriorate and they do not produce any harmful results The second point is that so long as these explosives are submerged at a depth of over 250 fathoms there is no possibility of their being washed ashore and being a danger to life and property The House may rest assured that what is being done is not anything new it is just in line with the practice all over the world and it is the only thing which can possibly be done

The Defence Department originally thought that they would be able to complete this programme of submerging these explosives at sea by 25th March 1947, but unfortunately owing to shortage of shipping throughout the world, it was not possible to get a big vessel to undertake these operations It was only recently that one big vessel became available and according to their calculations, it will take at least another 18 months or two years before we can get rid of these highly dangerous cargoes

There is just one more point I would like to mention During the war, these precautionary measures of handling the explosives were taken at all major ports After the termination of the war, it was found that it was quite unnecessary to carry on these operations at ports like Bombay Calcutta and Madras and Government restricted the operations to two ports, Karachi and Vizagapatam Unlike other ports, I understand that the ports of Karachi and Vizagapatam are not so near densely inhabited places Then there are also other considerations like distance to the nearest place in the sea where you can get 250 fathoms depth of water where these explosives can be safely submerged

As I have said, Sir, this is really a safety measure If we have this Bill it will ensure that all the safety precautions which were recommended by the Dangerous Cargoes Ports Committee under the chairmanship of Major General Russel will continue for another two years, while we are submerging these explosives I understand there is also another reason that although the war is over, there are certain programmes of import and export which are still under consideration of the Defence Department and this Bill will help them to complete their programme of export and import of explosives without any difficulty and in the best possible manner The Bill is a very simple one, it merely continues the existing practice for a term of two years As I have already said, no complaints have been received from any quarters I hope Honourable Members who have given notice of circulation or otherwise will kindly agree In fact they

[Mr K Gokhale]

should have no hesitation, in accepting this Bill The time is very short and unless this Bill is passed by 25th March 1947, these operations for submergence will have to be discontinued and the consequent risk with the explosives will be greatly increased I hope, Sir, I have explained the provisions of this Bill sufficiently clearly I shall not take up the time of the House any longer I move that the Bill be taken into consideration

Mr President Motion moved

'That the Bill to continue for a limited period powers to exempt operations affecting ammunition, explosives and inflammable substances from certain restrictions, and to regulate those operations, be taken into consideration'

Haji Abdus Sattar Haji Ishaq Seth (West Coast and Nilgris Muhammadan) Sir, in the stress of legislative business before this House and the urgency of some of these measures having to be passed before 31st March 1947, I am afraid many of these measures do not receive the careful attention to details that they require This Bill is one which must receive the careful attention of Members of this House, if for no other reason than the terrible explosion that we had in Bombay due to the relaxation of these rules, which relaxation this Bill wants to continue for another two years The rules for the safety in regard to these matters have been drawn up after carefully examining the long experience They were relaxed may be with justification during the war The experience of that relaxation was terrible so far as India is concerned, so far as Bombay is concerned When my Honourable friend comes to this House asking for sanction to continue that relaxation for another two years, surely, we cannot be blamed if we want to spend some time over it to find out what exactly the position is, how much of these dangerous explosives still remain to be destroyed He wants to dump them into the sea at Karachi and Vizagapatam But how far from Karachi? Of course it is for the experts to tell us what is the distance from a port which is considered dangerous for these explosives to be submerged Apart from the report of experts on this point, there are other considerations also He said the docks in Karachi are sufficiently far from populated parts of the City But what about the danger to the docks themselves? What happened to Bombay? What happened in Bombay should certainly make us very careful about these things Is it not possible to select some uninhabited place on the vast coast line of India and then submerge these explosives there? I do not know what is the difficulty Then, Sir, there is also danger to fishing industry In the face of food scarcity through which this country is passing now fish is an essential commodity for our needs and this aspect also requires consideration Whether this step is going to affect the fishing industry in the country is also to be looked into I wish the Honourable Member had moved for referring this Bill to the Select Committee so that all these questions could be carefully examined My Honourable friend no doubt tried his best to give us as much information as possible but I cannot let this measure pass without expressing my disquiet about it and the disquiet of the House He pleads urgency and I understand there is urgency, but it is unfortunate these measures could not have been brought before this House a little earlier or in the last session Of course my Honourable friend is not to blame for this The political conditions were such that it was very difficult I cannot give my wholeheartedly support to this motion without the House getting a chance to examine in detail the provisions thereof and without considering the expert report which he was mentioning I do not know if he can still think of having a committee If that is possible, I should request him to make room for a Select Committee, but if that is not possible, I, for one, cannot give my consent to his Motion without complete assurance

Mr Tamizuddin Khan (Dacca *cum* Mymensingh Muhammadan Rural) Sir, I do not like to say anything about the general considerations which have been placed before the House by the previous speaker These are serious, questions

which deserve to be considered by the Honourable Member in charge of this Bill very carefully What I want to say is that one thing does not seem to be clear This is a short Bill with six clauses Clause 2 has three sub-clauses In sub clause (1) of Clause 2, Government assume certain powers In accordance with these powers, Government can declare that certain restrictions shall not apply under certain circumstances Clause 2 is more or less a consequential clause But what I do not understand is sub-clause (3) under which the Chief Inspector of Explosives is given very wide powers He can, whenever he thinks expedient or necessary, "authorise in special cases by order in writing the relaxation or modification of any restrictions imposed by or under any law for the time being in force on the loading, unloading, handling storage or conveyance of ammunition, explosives or inflammable substances" Why is it necessary that he should be given these wide powers? Then, if he is given such wide powers that should be sufficient, what is the need for the other two sub-clauses? This is a matter which does not appear to me to be very clear and I hope the Honourable Member will explain this in his reply

12 NOON

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa Muhammadan) Sir, I will not take long over this Bill but the explanation given by the Honourable Member has not convinced us that all sides of the question have been examined duly My Honourable friend Mr Ishaq Seth has already dealt with implications of this Bill We on this side always blamed the previous Governments for rushing legislation through this House without giving time for consideration, and if that practice is continued by this new Government it will be very disappointing to the House and to the country We feel that this Bill is very important and cannot be rushed through in the manner proposed by the Honourable Member He has said that it must be passed before the 25th March and so there is not much time left But supposing these rules are applied as they have been applied till now and are extended by an Ordinance till the Select Committee reports, what difference would it make? Besides, if it is so urgent as that, the Select Committee can surely do its work in time for the Bill to be passed before the 25th March That aspect should be considered by the Honourable Mover and if he moves for a Select Committee to report at an early date, we would be willing to support the motion Otherwise we feel great difficulty in rushing this Bill through without realising fully its implications

Mr G S. Bhalja (Government of India Nominated Official) Sir, a complaint has been made that we have not taken the necessary precautions to avoid the work of an explosion of the type which occurred in Bombay during the war I can assure Honourable Members of this House that nobody has been more anxious than Government to see and to ensure that all the precautions which were recommended by the special committee referred to by my Honourable friend the Secretary of Works, Mines and Power Department are given effect to in carrying out these operations There need therefore be no hesitation on the part of this House to pass this measure as every conceivable precaution has been taken and will be taken in carrying out these dangerous operations Sir, I should like to point out that it is very necessary to dispose of these dangerous explosives, ammunition, etc which we have accumulated during the war, as expeditiously as possible They cannot be disposed of on land because there are very grave dangers involved In the first place there is a difficulty of obtaining suitable sites for carrying out demolitions on a large enough scale to render the operations worth while A safety distance of at least two miles from the nearest inhabited locality would be essential, and five miles would be preferable Even then it cannot be guaranteed that damage would not be caused to buildings, etc , situated in the neighbourhood A case in point occurred recently where we had to restrict the quantity demo-

[Mr G S Bhalja]

lished at one time because the explosions were likely to damage an important building in the Central Provinces and Berar, although situated 22 miles from the spot where the operation was being carried out

Then, Sir, apart from the ordinary hazards to which the operations are exposed during the course of demolition work there is also the factor of residual hazard which also affects the inhabitants of the area in which the demolition ground would be situated No matter what care is taken it is rarely possible to guarantee that complete detonation will take place, and it is often the case that unexploded projectiles are thrown out by the force of the explosion sometimes to considerable distances and come to earth in a dangerous condition Extensive searches have to be carried out after the demolition in order to locate such debris, but these are not always 100 p c successful and many accidents have occurred in various parts of the country through ignorant persons tampering with such missiles My Honourable friends who come from Bengal are aware that at Kanchrapara there was an American depot of ammunition which the Americans did their best to blow up *in situ before* they left this country Although this was successful to a degree very large amounts of dangerous residues were left behind Our disposal units which have spent at least six months unearthing and destroying these residues have been necessarily so employed in order to render the area safe for future civilian occupation and to ensure that all debris which can be made use of by unscrupulous persons are eliminated What I want to emphasise before this House is the extreme urgency of disposing of these dangerous explosives and the only safe method of doing so is to drown them in sea

One Honourable Member complained that we are rushing this measure through That is not correct, what Government are really doing is to substitute a Bill for an Ordinance which has been in force for a good part of the war and which has been found in pratice to be quite suitable The present Bill was introduced in the House in the beginning of the month and has now been before the country for over three weeks, and no criticism of any kind has been levelled against it I therefore submit that there is no case for its reference to a Select Committee

Mr M. A F. Hirtzel (Bengal European) We on this side of the House are inclined to share the feeling which has been expressed that this Bill might have been referred to a Select Committee The Honourable the Defence Secretary has just spoken but he has not answered the point that was made by my Honourable friend, Mr Tamizuddin Khan No one doubts the danger or the magnitude or the urgency of this problem, I do not think any one has made those points on the floor of this House This House in any case is not competent to judge specifically on those points, and I notice that the Honourable the Defence Secretary himself has not delivered his speech *ex tempore* on this subject but had to read technical notes prepared by one of his advisers This House is concerned not with the drowning of explosives but with the manufacture of legislation and when a Member asks a specific point on what appears to be bad draftsmanship we naturally expect that the Government spokesman would be in a position to answer

Now, Sir, his answer was not clear May we ask what actually is the meaning? According to our ideas it would be unsatisfactory if the Chief Inspector of Explosives gave a certain ruling under sub-clause (3) of Clause 2 and subsequently the Central Government by notification in the official Gazette under sub-clause (1) of Clause 2 issued a contrary order That we think is the type of thing which might seriously add to the dangers which have been emphasized on this side of the House That I understand was the point which was put by my Honourable friend, Mr Tamizuddin Khan, and I would

appeal through you to the Government Members to give us an explanation of that point

Mr. President. I believe the Honourable Member refers to concurrent jurisdiction given to two bodies' The Honourable Member Mr Gokhale may answer this point

Babu Ram Narayan Singh (Chota Nagpur Division Non-Muhammadan) I wish to say a word on this subject

Mr President The Honourable Member from the Government side is not replying He is only giving information on a specific point

Mr. B K Gokhale. Sub-clause (3) of clause 2 of this Bill is a *verbatim* reproduction of sub rule (3) of Rule 88 of the Defence of India Rules It is merely a copy, in fact the whole of this clause 2 copies Rule 88 of the Defence of India Rules which have been in force all these years The object of this, I may explain, is that there may be certain emergencies caused by a strike or by some other unforeseen circumstance at any of these Ports which might make it necessary or obligatory that certain things which are prescribed under the Dangerous Cargo Regulations either cannot be complied with and some substitute has been found on the spot to try and get over some sudden difficulty There is also another contingency which might arise Not only the cargo has to be handled at the Port but it has to be handled by train and possibly there may be certain difficulties which might arise in the process of transport by train from where the cargo is lying to the port concerned, and if each particular case has to be referred to the Central Government for specific orders it might take such a long time that by the time the orders are issued they will be infructuous That is why the Defence of India Rules and, following the Defence of India Rules, this Bill proposes to give special powers to the Chief Inspector of Explosives to deal with these emergent conditions on the spot I might also explain, Sir, that it is very very seldom that the Chief Inspector of Explosives has ever had occasion to use these powers As the Chief Inspector of Explosives is under the control of the Central Government the House may take it that he will rarely use these powers and if he uses these powers he will promptly report to the Government, and there will be no question of conflict of jurisdiction

Mr President I am not trying to interfere in the debate but I believe the difficulty is not yet completely solved

Mr M A F Hirtzel No it is not

Mr President by saying that it is a repetition of certain rules The point raised as it appears to me is that while Government are called upon to make a declaration before they can exercise certain powers and that they are also authorized to depute certain authority for the exercise of those powers, the powers vested in the Chief Inspector of Explosives are absolute That seems to me to be the best point and it is on that point that the explanation is needed What is it thought necessary to give him such powers? Of course emergency may arise, but the Government of India are authorized in case of emergency to make a declaration and to appoint any person as an authority as they like That is the difficulty I believe

Mr B K Gokhale I quite see the point, and it is possible that it could be done under sub-clause (1)

Mr Tamizuddin Khan· Why not omit sub clause (3) altogether

Mr President· If the Honourable Member feels any real doubt on this question we may put off the matter just for the present It may be considered after recess The only point which may appear doubtful to him may be that the process of having a declaration will take time, while the Chief Inspector of Explosives may immediately act without the formality of declaration, but on his own admission such occasions are going to be rare That is

[Mr President]

the only point that he has to consider and then the matter can be taken up It is only a suggestion, he is not bound to accept it I am not very keen that it should be postponed, but I am merely suggesting a way

Mr B K Gokhale We are in your hands, Sir, and I take it that if this is accepted there will be no question of referring the Bill to a Select Committee

Mr President It is up to the Honourable Member to decide

Mr B K Gokhale I accept your suggestion, Sir, and I would request you to take up this matter after lunch

Mr. President Yes, in the meanwhile the Honourable Member will consult his own legal advisers and also the Members who have doubts

Babu Ram Narayan Singh: Whenever we go in the mofussil to shops which are authorized to sell cartridges and other things of common use, we find that mostly they are not available, and when they are available, they are very very costly Here, Sir, powers are sought to drown a large amount of ammunition I want to know whether any portion of that ammunition can be converted into articles of common use

Mr President That has already been explained by the Honourable Member in his speech Perhaps the Honourable Member was not attentive then

Babu Ram Narayan Singh Then, Sir, I want to know what is the approximate cost of the stock to be drowned, and whether the stock belongs to the British Government or to the Government of India

Mr President Indian Government, I presume He has given the quantity—150,000 tons—but he has not given the estimated cost

Mr B K Gokhale I have not got the estimate of cost

Mr President He will give the information, if available, at 2 30

Sri T V Satakopachari (Tanjore *cum* Trichinopoly Non Muhammadan Rural) I would like to make one suggestion Will the Honourable Member consider whether it would not be advisable to drop the words 'or intended to be done' in clause 6 I can understand action taken when taken in good faith, being protected but when it is intended to be done" in good faith, the scope is rather very large I mean you cannot prove "intention" "The devil himself knows not the heart of man" as a learned Lord Justice said 'It is better if it is omitted'

Mr President That follows the usual line in all legislations of this type It is an ordinary clause of indemnity

Sri T V Satakopachari It is not in all statutes "intended to be' It is all right if it is "done in good faith"

Mr President In almost all indemnifying clauses, it is there But that may be considered by the Honourable Member

Sri S T Adityan (Madras and Ramnad *cum* Tinnevelly Non Muhammadan Rural) "Good faith" is accepted but not "intention of good faith"

Mr President: I think that is usual in all legislation The Honourable Member might just see that point and let the House know what he has to say

Mr B K Gokhale It follows section 17 of the Defence of India Act It is a *verbatim* reproduction of that section

Mr President: The Honourable Member might find it even in ordinary legislation and not in exceptional legislation like the Defence of India Act

DELHI AND AJMER-MERWARA RENT CONTROL BILL

Mr B K. Gokhale (Government of India Nominated Official) Sir, I **beg to move**

That the Bill to make better provision for the control of rents in certain areas in the Provinces of Delhi and Ajmer Merwara be referred to a Select Committee consisting of Mr C P Lawson, Dr J C Chatterjee, Sardar Mangal Singh, Khan Mohammad Yamin Khan, Mr Hafiz M Ghazanfarulla, Mr Shah Nazar Hasan Pandit Makat Bihari Lal Bhargava, Shri Mohan Lal Saksena, Shri Satya Narayan Sinha, Lala Deshbandhu Gupta, Seth Sumadev, Mr Manu Subedar, Miss Manben Kara and the Mover, with instructions to report on or before the 10th March, 1947, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five

Sir, in common with the shortage of food and clothing as a result of the last war, there is acute shortage of housing It is not merely a question of shortage of housing in Delhi and Ajmer-Merwara, it is a shortage of housing throughout India, or rather throughout the world House building material was primarily used up in war time for essential war purposes and private building activities almost came to a standstill Meanwhile, the normal increase in population continued, and in places like Delhi there was abnormal increase in population owing to the activities of Government which expanded [illegible] fourfold in war time The population of Delhi, I understand has also increased two or three times during the last seven years Now the obvious solution for this difficulty is private building operations on a very large scale Before the war, the supply of houses was perhaps commensurate with the demand But now it is hopelessly inadequate and it is quite obvious that [illegible] on a very large scale Now that is a question which is very actively under the consideration of the Health Department of Government which is in charge of housing But the chief bottleneck is the availability of building material Now that is a question under the control of the Industries and Supply Department A Resources Budget which has been recently published by Government shows that the scarcity of building material like iron, steel, cement and [illegible] bricks is likely to continue at least for the next few years So long as that shortage of house building material continues, it is not possible to expect that the number of houses whether put up by Government or by private parties will come up to the demand It has been said that another [illegible] is the availability of sites for building purposes Well that again is a question which is very actively under the consideration of Government But I may say that to my knowledge there are at least 3,000 to 4,000 sites in Delhi which are at present with private people for house building purposes but they cannot put up houses owing to the shortage of material I am just explaining these things as background to this Bill So long as this shortage of houses continues, for the interim period, there is no alternative but rent control and I hope that the House will agree with me that some measure of rent control is absolutely necessary in Delhi and also in Ajmer Merwara for the next few years

Now the present position is that the New Delhi House Rent Control Order which was issued in 1939 under the Defence of India Rules and was continued in force under an Ordinance will finally expire on the 25th March 1947, and if this Bill is not passed or if some other measure is not undertaken in order to continue house rent control, the position will become impossible There will be no control over house rent and tenants will be entirely at the mercy of the landlords In Old Delhi and other areas which are not covered by the New Delhi House Rent Control Ordinance there is a Delhi Rent Control Ordinance That is not a temporary measure It is a permanent measure But various complaints have been received about the provisions of the Delhi Rent Control Ordinance and Government consider that it is now desirable to bring the two areas together and have a consolidated Bill to deal with house rents in Delhi

[Mr B K Gokhale]

Province as a whole A third complication was introduced at a later stage Only a short time ago we were told that rent control was necessary to continue in Ajmer Merwara and we should have a third measure to that effect Now it would have unnecessarily wasted the time of the Honourable Members and the valuable time of this House if we had contemplated three different rent control measures for these three small areas It is quite clear that the Bill which is now before us is not going to affect the rest of India It only concerns Delhi Province and Ajmer Merwara So Government decided that the best thing was to have one composite measure and bring all the different recommendations made by the Chief Commissioners and try and hammer out a sort of compromise solution which would cover the whole thing, so that the [illegible] House should not be wasted by [illegible] different measures Now by the time the Chief Commissioners sent up their recommendations—and they were asked particularly to consult landlords and tenants before they made their recommendations and I think they did so—and those recommendations reached Government there was very little time for mature consideration of their proposals What Government were very anxious about was to ensure that the Rent Control Bill should be introduced in this House at the very first opportunity, and the Bill was therefore hurriedly got together, some sort of a [illegible] solution was got together with a view to introducing it on the 20th January Actually the House did not meet on the 20th January and the Bill was introduced on the 3rd February The whole object of doing this in a hurry was that there was hardly any time for circulation of this Bill and Government thought that they ought to introduce this Bill on the 3rd February, though it may not be absolutely perfect and leave it to people to express their views, so that by the time the matter was referred to Select Committee, the Committee would have the opportunity of having the views of [illegible] concerned This Bill which was introduced on the 3rd February has actually received very wide publicity by this time In fact I might say that the last Bill which related to explosives was not quite so explosive as the Bill which is now under discussion

Shri Mohan Lal Saksena (Lucknow Division Non Muhammadan Rural) It came as a bombshell!

Mr B K Gokhale Whether it came as a bombshell or not, I think the House will agree with me that some enactment is absolutely essential if house rent control is not just to go to the walls and tenants are not to be left to the mercy of the landlords on the 25th March [illegible] I am explaining all this because there is some misconception that Government are committed to all the provisions of the Bill and that they have certain fixed ideas about it I want to make it perfectly clear that all that the Government are committed to is the principle of rent control and they will be perfectly happy if the House agrees that rent control in some form or other must continue after the 25th March for four or five years or for such period as the House may consider necessary On other matters Government would be perfectly willing to be guided by the views of the Assembly and they hope that the Select Committee which will go into the question will thoroughly thrash out all the various provisions and achieve some sort of compromise between the conflicting claims on various sides which would be generally acceptable to this House keeping in view at the same time the overriding necessity of not discouraging private house building That is the crux of the problem Whatever we do must result in every encouragement to private and public house building because that alone will ultimately solve this problem of congestion and difficulty of housing That is the question on which Government feel that whatever is done should not affect or discourage private house building but should on the other hand encourage private house building and should result in this measure of wartime control, which is at present unfortunately inevitable being given up as quickly as possible

have already dealt with the question of circulation and I hope that the various motions which have been tabled for circulation will not be pressed Time is very short If the Select Committee is appointed today with instructions to report by the 10th of March, it will leave very little time for the Bill to go to the Upper House and be enacted by the 25th of March

Then we have already received many opinions which have been printed and will be made available to the Select Committee Over and above that, this is not a measure which is really highly technical I should say that almost all the Members of this Honourable House are themselves experts in this line, whether as tenants or as landlords or as both They know all the difficulties and I am quite sure that the whole question is within their own knowledge and experience and we do not need any outside experts or outside advice to decide what sort of rent control is necessary and how it should be enforced

Also this is not the first measure of its kind There have been rent control measures in all provinces and this Bill only affects a very small microscopic area—Delhi and Ajmer Merwara—and there is no reason why there should be any difficulty about it

Now with your permission, Sir, I would like to refer to a few salient features of this Bill

The most vexed question is [illegible] increase in rent Here the conflict is very wide On behalf of the tenants, it is argued that the landlords have already gained a lot by the large increase in capital value of their buildings Buildings which were constructed for Rs 50 000 are now worth 2 lakhs and the landlords h[illegible] in rent It is said that, at best, if an increase is to be given, it might be limited to 6 per cent, which will cover the extra cost of maintenance and repairs

On the other side, we have landlords who say that nothing under 100 per cent will satisfy them They say the cost of living has gone up, the cost of education of children has gone up and when everybody else has made profits why should landlords alone be penalised and asked to accept rents at old rates There is thus a wide measure of divergence of opinion and though Government have put down some tentative proposals, I would like to make it perfectly clear that it is only as a starting point for discussion and they are not committed to any particular figures

The next question is about eviction of tenants Here again there are wide differences of opinion tenants claiming that they should not be evicted at all so long as they are willing to pay the rent and landlords wanting eviction on various grounds I do not wish to enter into all the complicated issues involved There are so many factors involved on both sides There are many cogent arguments why eviction should be allowed and why it should not be allowed and this is a matter which will have to be thrashed out in Select Committee

Third point is about sub tenants and sub leases There is a very strong volume of opinion that anybody who leases a house or a portion of a house to a sub tenant should be immediately evicted There the difficulty of course will be that even if you do punish the tenant, are you also going to evict the sub tenant and if we evict all sub tenants are we going to reduce the population of Delhi by several lakhs, because as soon as they are evicted, I suppose they will have no option but to leave Delhi That again is a very difficult question on which I should not like to express any views It is for the Select Committee to consider

The fourth point that I would like to mention is about industrial housing A number of industrialists have constructed tenements or hutments or *chawls* (whatever you call them) for their industrial labour and the position at present is that a man who was actually in employment and was allowed to live in those tenements is no longer in employment but refuses to vacate the building That

[Mr B K. Gokhale]

is a point on which it was felt that it is manifestly unfair that accommodation constructed for employees of industrialists should be allowed to be occupied by other people and a provision has been introduced to make it quite clear that, under those circumstances, people who ceased to be in employment can be evicted

The fifth point that I would like to mention is about facilitating building on vacant lands There are certain bungalows with very large compounds and although we do not want that the tenants should be evicted from the houses, we would like to see that where the compound is so big that it is possible to construct another building within the same compound, provided of course the municipal laws allow (it is not suggested that we should allow slums and overcrowding) but if the municipal laws allow it we want to facilitate buildings being constructed in big compounds which are capable of accommodating more buildings than the one actually existing on it

Then I come to this vexed question of *pugree* or profiteering by landlords and tenants Here again both sides are accused of profiteering and some measure of control is necessary Whether it should be a mere fine or imprisonment and how far we can possibly stop this evil of profiteering and blackmarketing is a matter for consideration The only other point I would like to mention is about the question of Government taking over vacant buildings We have put down the clause that where a tenant vacates a building and the house becomes vacant, the landlord must give notice to Government, and if Government want it for their own purposes or for other things, they can take it on lease The idea behind is that we are expecting a number of foreign Embassies and Consulates to be established in Delhi during the next twelve months I am told that as many as fifteen Embassies and Consulates are likely to be established in Delhi The question is how we are to find accommodation for all those people or are we merely to tell them that they should not come here and establish their Embassies and Consulates simply because we have got no housing that we can offer them? That was the concrete difficulty in connection with these Embassies and Consulates The second consideration was the question of requisitioning At present 31 buildings in Delhi are under Government requisition and they are continuously under requisition Government are only too anxious that they should be derequisitioned provided the officers occupying these buildings can get alternative accommodation on lease that is that instead of the buildings being on requisition they should be on lease Government are perfectly willing to pay the rent and there is no question of rent The only thing to be avoided is that each government servant should not be thrown at the mercy of the landlords and have to face demands for *pugree* When a government servant vacates a private house, his successor has to start all over again trying to get a house That is the whole idea behind this particular provision

Sir I won't go into any more details I hope I have explained the salient features As it is proposed to refer the Bill to Select Committee, I do hope that my Honourable friends who have given notice of amendments for circulation will kindly not move their amendments

Mr President Motion moved

"That (the Bill) to make better provision for the control of rents in certain areas in the Provinces of Delhi and Ajmer Merwara be referred to a Select Committee consisting of Mr C P Lawson Dr J C Chatterjee Sardar Mangal Singh Khan Mohammad Yamin Khan Mr Hafiz M Ghazanfarulla Mr Shah Nazar Hasan Pandit Mukat Bihari Lal Bhargava Shri Mohan Lal Saksena Shri Satya Narayan Sinha Lala Deshbandhu Gupta Seth Sukhdev Mr Manu Subedar, Miss Maniben Kara and the Mover with instructions to report on or before the 10th March 1947 and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five"

Lala Deshbandhu Gupta (Delhi General) (The Honourable Member spoke in Hindustani For Hindustani text, see Appendix to the Debates for the 27th February, 1947 English translation given below —Ed of D) Sir, I support the Bill introduced by my learned friend, Mr Gokhale Before, however, I give expression to my opinion on it I desire to thank you for giving me permission for the use of our own language instead of the language of the rulers In this connection, Sir, I also thank our revered leader Maulana Azad who by his example encouraged me to make this sort of request

Ruling re Vernacular Speech by English speaking Members in the Assembly

Sir Cowasjee Jehangir (Nominated Non-Official) Sir, I rise to a point of order The Honourable Member can speak English fluently and he has done so in the House before

Shri Mohanlal Saksena He has not done so

Mr President: Let there be no conversation between two Honourable Members?

Sir Cowasjee Jehangir Sir, I want a ruling whether the Honourable Member, although he can speak in English, can speak in any vernacular which is not intelligible to a large number of Indian Members of this House

Mr. President The rule is it stands is The business of the Indian Legislature shall be transacted in English provided that the President may permit any member unacquainted with English to address the Council in a vernacular' (*An Honourable Member* Mr Deshbhandhu Gupta is a B A , LL B ") I do not know whether he is a B A , LL B , or an M A , LL B , or what particular degree he holds Further the point is irrelevant in view of what I am going to say

There were, as Honourable Members are aware, some questions in this House about the relaxation of this particular rule At that time, a substantial majority of the Members seemed to be agreed that the time has now come to change this rule which was framed in 1921, because, if not for other things, at least national self respect demands that the proceedings of the House shold be conducted in a language which is Indian At the same time, it was not forgotten that this is a multi-lingual House, if I might use that expression Therefore, Government said, with practically the approval, as I say, of a substantially large portion of the House, that they will consider the amendment of this rule At that time I was under the impression that this rule has certain limitations on account of the statute under which the rule was framed Under the Government of India Act, 1935 (*An Honourable Member* The Government of India Act, 1935 is under suspension") The Honourable Member will please await what I am going to say Under the Government of India Act, 1935, there is a regular section which prescribes that the language of the Legislature shall be English provided that if a member is not sufficiently acquainted or is not acquainted with that language, he may address the Legislature in the Indian language that he knows But under the old Act of 1919 there is no such legislative provision Therefore, the statutory difficulty which is felt in the Provinces about making any rule inconsistent with the statute does not arise in the present case The view which I have taken therefore is this, that if for other considerations the members wish to resort to any other language and if it is competent for this House to change this particular rule, there is no reason why this rule should not be liberally interpreted by me in the spirit in which the House would like me to interpret it, instead of waiting till this rule is formally amended An objection is likely to be raised here that these are the rules which are to be made by the Governor General in Council with the sanction of the Secretary of State Therefore I might, be taken to have perhaps overstated the case when I said that it is competent for this House to amend the rule But the practice has been that the Secretary of State always accepts the recommendations of this House for amendment of rules In substance, therefore, it comes within the powers of this

[Mr President]

House, to amend the rules It is in these circumstances that I thought that I should not await for the formal amendment I believe the position is clear so far

In liberally interpreting this rule, what is the meaning of the word unacquainted'? A man might be knowing a few words like 'Good morning' and How do you do'? He is acquainted with the English language, by a few words Yet he may not be able to express himself properly on certain occasions or with reference to certain subjects Therefore, I would leave it to the individual member to judge for himself about his knowledge of the language instead of sitting in judgment myself and would leave it to the Honourable Member to judge for himself whether he feels that he is acquainted or unacquainted with the English language when he wishes to speak in this House in any Indian language

Of course there are difficulties in connection with this desire to have a common Indian language for all but I need not go into those difficulties I believe Honourable Members need not be very much afraid of the proceedings being always in high flown Urdu or high flown Hindi, so that the other members cannot understand the thing An Honourable Member who wishes to address this House does care to convey his own ideas and views to other Honourable Members and his very desire that his points should be understood by all Honourable Members as far as possible will be an incentive to him to use such a simple language as can be understood by the whole House, as far as possible As for others who do not know Hindi, or Urdu or Hindustani I think they also have agreed to have a common national language and this will give them an opportunity to pick up the language slowly and slowly These are however different considerations But I would earnestly appeal to all Members who wish to speak in Indian languages that they should speak in a language which should be, as far as possible, understood by all sections, who are not so very conversant either with Persianised Urdu or Sanskritised Hindi and if they resort to such a simple language as that, I think it should not be objected to by other Honourable Members

Sir Cowasjee Jehangir Am I entitled to speak in Gujerati and can my friend Mr Gadgil speak in Mahratti?

Mr President If the Honourable Member so wishes, I shall permit him but I wish to point out that these are all theoretical questions, and if the question of a common national language is to be seriously considered, as a matter of national self respect objections of this type, which are more theoretical and more by way of exceptions should really not be raised Raising such objections brings down to a state of ridicule, our desire to assert national self-respect by resorting to an Indian language

Mr Tamizuddin Khan (Dacca *cum* Mymensingh Muhammadan Rural) May I know whether, in future an Honourable Member if he wants to speak in a language other than English will have to take your permission previously or can he just stand up and speak in any language he likes?

Mr President I would reserve to myself the right to give that permission, not in the House but outside the House

Mr Tamizuddin Khan What about the recording of the proceedings?

Mr President That is another difficulty We have not yet got such perfect arrangements for the reporting of speeches other than in English as we have in English We have at our service four Hindustani reporters but they cannot carry on the work the whole time, if speeches are made in a language other than English Previous intimation is therefore necessary so that the Hindi reporters may be called upon to be present in the House at the time any Honourable Member is going to speak in Hindustani I would invite the co-operation of all members of this House in our forward march, during this transition, to our own national language

Sardar Sampuran Singh (West Punjab Sikh) You have said that each Honourable Member would be the judge to decide whether he was acquainted or not acquainted with the English language Will he have to make announcement of his decision before he speaks? Anyhow, we should get such a decision from him before allowing him to speak in a vernacular language

Mr President I should not like to have a declaration which may be something not quite true The very moment an Honourable Member begins to speak, it means a declaration in action He need not have a separate declaration in words, and, as I said, if Honourable Members are anxious that what they speak is not intended merely for the purpose of publishing what they spoke but also for the purpose of conveying it to other members of the House, then certainly it may be expected that they should talk in a very easy language Unfortunately today we are not yet masters of Hindustani to the extent one would like

Sjt N V Gadgil (Bombay Central Division Non Muhammadan Rural) May I point out the practice in the past? If any member spoke in any language other than English he was expected to give a summary of his speech towards the evening in English?

Mr President That also might be done but there is some difficulty about that because the summary may not represent the actual speech It may be something else That is possible Now, we have got arrangements for having Urdu, Hindi and Hindustani speeches reported If there be any speech in any language other than these, we shall see what happens Convention may grow

Dr J C Chatterjee (Nominated Non Official) May I ask whether the word vernacular is Parliamentary? In actual usage, it has got a derogatory significance In the Central Provinces they have forbidden the use of the word My Honourable friend Sir Cowasjee Jehangir referred to my Honourable friend speaking in the 'vernacular' and the word has also been used in the Manual of Business May I suggest that the word may be expunged from the Manual and its use forbidden?

Mr President That is a difficult thing to decide Words are changing their meaning The primary meanings are abandoned in many cases and secondary meanings are attached to them I may mention the word 'cunning' by way of example It only referred to a man with some knowledge Later on it acquired a different meaning The word 'vernacular' had a quite different meaning from the etymological meaning Now, it is coming back to its original meaning It was once Parliamentary It is getting un Parliamentary and we shall get rid of that word as soon as possible

Lala Deshbandhu Gupta Sir, I am glad inasmuch as my request has resulted in not only affording me an opportunity to speak in my own language but your ruling has opened the way for other members also to speak in Hindustani

Sir, in fact the worst aspect of this cycle of slavery is the fact that many of us have not only forgotten our language but we have begun thinking also in the language of the foreigners I hope that as a result of your ruling those of our brethern, who have not forgotten their language will take advantage of it and help the Hindustani language to attain to the position which it ought to have enjoyed after the Interim Government's coming into power Sir, no Indian member should consider it below his dignity to say that he can speak better in his own language than in the language of others As it is but natural, at least I feel no shame in admitting it and I am sure none of my friends will feel shy of it

Sir, regarding the Bill I agree with my learned friend Mr Gokhale, that the bill was already widely known and that there was no necessity of giving it further publicity The fact is that more than enough public opinion has

[Lala Deshbandhu Gupta]

already been expressed about it Being a member for Delhi scarcely a day has passed in the last three weeks when one or the other party had not expressed its opinion or a deputation had not waited upon the members I therefore feel no hesitation in asserting that there is no further necessity to make this Bill known Sir, there can be no two opinion so far as its basic principle is concerned that a Rent Control Act is needed If the law which is in force in the form of an ordinance in our City and province is not replaced with another law on its termination on the 24th March 1947 there will certainly be such a disorder and such a black-marketing in houses as will have no peer anywhere So far as the basic provision of the Bill is concerned there is no room for opposition Everybody feels that there ought to be some law By admitting himself that the Bill which has been introduced is not a measure brought in at the instance of the Government my learned friend has made it easy for me In the light of this admission it will be absolutely wrong to say that Government has made out a landlords Bill or that the Government is against the tenants or that the Government do not sympathetically take into consideration the feelings of the tenants

But, Sir, there is another provision in this Bill which has been cursorily referred to by our friend, Mr Gokhale It lays down that the Government will have a prior right to requisition the buildings which may occasionally fall vacant that is to say the Government will occupy for the use of their servants all these houses which now and then fall vacant To my mind this provision [illegible] I submit it is a primary right to have no sympathy from us Sir, I admit the Interim Government came into power only a few months ago, but this House has the right to ask the people who have held the reins of Government in their hands year after year why did they not learn any lesson from the last war How the World solved the housing problem after the last War was never considered by them The results are the present manifold difficulties We cannot say with certainty whether normal conditions in housing would be obtainable five years after the termination of the War The solution that has been suggested to the House is, in my opinion not the real solution The right way of solving this problem is that the Government should start a building programme on a vast scale We should solve the housing problem as it has been solved in other countries We should not confine our efforts to making a law for the landlords and the tenants defining their mutual rights and relations but we should launch a powerful scheme which would end the struggle between the landlord and the tenant Tenants who are now at the mercy of the landlords may themselves become owners We may start a scheme of building small dwellings according to the needs of the people and build them in such abundance that after some time the tenant will become the owner of the dwelling in which he lives so that the struggle now existing between the landlords and the tenants may end once for all

Sir it is a pity that the Government has given no thought to this aspect of the question nor has our learned friend given any assurance today to this House that such a plan [illegible] I do not oppose the provision of the Bill in which a favoured treatment is recommended for the Government especially in view of the fact that [illegible] benches are not occupied by members who were there six months ago Today the Government chairs are occupied by our revered leaders and we are as much responsible for carrying on the affairs of the Government as they are The reason why I have mentioned it is that the Health Department whose duty it is to introduce such legislation as would solve this problem has done nothing in this respect

Sir, the Post War Reconstruction Plan for Delhi although it is still a secret and its details have not yet come before the House I however had the occasion to see a copy of it and I found that it contained no special provision for building houses

Sir, if we compare our country with other countries just to find out how those countries have solved their housing problem we will find that by introducing this legislation we are simply playing with this matter of the highest importance To tell the House how England, America and Russia and other countries solved this problem will take a long time and I do not want to go into their details, but Sir, with your permission I desire to say a little about the United Kingdom, who provides us with so many highly paid I C S officers who receive inspiration from England and conduct the affairs of this country I want to tell the House how that country has solved this problem I have in my hand the *'Statesman* of the 30th January 1947, which contains the United Kingdom's housing programme It is written in it

Britains housing programme of 300,000 new houses for 1947, was announced on Tuesday by the Minister of Health Mr Bevin The estimated number of new houses required is 750 000 Towards this total the Minister hopes to see 240 000 permanent and 60 000 temporary houses completed during the year, and 200 000 more under construction by December

Sir, it shows that 7½ *lakhs* of houses were estimated to be required for the whole country and the Ministry there made provisions for building 5 *lakhs* of houses by the end of December 1947 Contrary to this, our friends here who are in charge of the Government, have done nothing even for their own population which according to their own statement has grown fourfold In the past the Government had to make arrangements for the housing of 8 000 persons while now they have to do it for 47 000 Government servants and other people They have neither carried out a building programme in the past nor have we heard of any such programme for the future

Sir, if allowance is given to the Government to requisition private property it will give no relief and no housing scheme will be forthcoming I therefore oppose the provisions of section 11 and say that no allowance should be given to the Government Health Department who have been negligent in this respect for a long time will not be so in future Sir I have a pamphlet issued by the Ministry of Information of England I was surprised to read in it that from 1919 to 1939 England passed 19 Housing Acts The Government of England gave occasionally as much concession to the landlords as was possible Housing Acts of 1923 1924 1930 and 1938 are noteworthy in this connection I now read to you what provisions they made in them

'Up to the end of 1938 total Capital expenditure on subsidized housing since 1919 was approximately £725 000 000 of which it was estimated that £539 000 000 had been in respect of building by local authorities and £257 million by private enterprise The annual commitment of the Exchequer in the year ending March 31 1939 was stated in the Annual Report of the Ministry of Health 1938/39 to be £15 380,000 and the corresponding annual commitments of local authorities about £3 800 000, so that the total annual contribution towards housing the population from public funds was on the outbreak of war, just over £19 000 000

Not only this that the Government spent such a large sum to provide houses but it also arranged under the provisions of the 1930 Act that local bodies and private persons who helped to promote the building programme, may receive a grant of £3 per person for re housing a de housed individual

"The Housing Act 1930 provided for increased financial assistance on a new basis This took the form of the payment of a fixed annual grant to local authorities per person re housed The total sum payable was ascertained by multiplying the sum of £2 5s (in certain special cases e g, for tenement building on expansion site, the grant could be up to £3 10s) by the number of persons displaced from unhealthy areas and individual dwellings for whom new accommodation had been rendered available"

[Lala Deshbandhu Gupta]

Sir, this extract shows that in England local bodies and building societies were given Rs 40 as grant for providing a house to a house-less person

Our Government, however, who claim to be a national Government have not even considered this question They don't consider it a matter worthy of their attention Sir, in addition to this there are 5000 building societies in England who are bound down not to charge excessive interest They chalk out a 20 year programme and they build such houses that make the tenant the owner of the house at the end of the 20 years To private builders 90 per cent of the money is loaned by these societies and local bodies

Sir, I want to draw the special attention of the Health Secretary, who is present here, that he should study the pamphlet and see how this problem has been solved in his country

'Advance made by Building Societies between 1919 and 1939 amounted [illegible] annual advances in the immediate pre war years being in the neighbourhood of £150 millions'

Mr. President The Honourable Member need not go in such great detail into the English plan of housing scheme It is sufficient if he refers to them in passing

The House will now adjourn for Lunch

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

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The Assembly re-assembled after Lunch at Half past Two of the Clock, Mr President (the Honourable Mr G V Mavalankar) in the Chair

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EXPLOSIVES (TEMPORARY PROVISIONS) BILL—*contd*

Mr President We will first take up the Explosives Bill on which I understand there has been an agreement I will put the consideration motion to the House

Babu Ram Narayan Singh They have to make a statement about the cost of the stock

Mr G S Bhalja Sir, on a point of explanation, this ammunition belongs to His Majesty's Government Its present value is less than *nil* If it had any value we would not be destroying it

Mr President. As regards the other point raised by Mr Satakopachari, I referred to various pieces of legislation For instance, in the Cantonments Act of 1924, the words are, 'for anything done in good faith or intended to be done" The same words occur also in the Provident Funds Act of 1925 The Factories Act, The Income-Tax Act, also may be referred to, so I do not think that point remains

The question is

That the Bill to continue for a limited period powers to exempt operations affecting ammunition, explosives and inflammable substances from certain restrictions, and to regulate those operations be taken into consideration'

The motion was adopted

Haji Abdus Sattar Haji Ishaq Seth Sir, I move

'That sub clause (3) of clause 2 be omitted'

Mr President The question is

'That sub clause (3) of clause 2 be omitted"

The motion was adopted

Mr. President The question is

"That clause 2, as amended, stand part of the Bill"

The motion was adopted

Clauses 3 to 6 were added to the Bill

Clause 1 was added to the Bill

The Title and the Preamble were added to the Bill

Mr B K Gokhale Sir, I move

'That the Bill, as amended, be passed'

Mr President. The question is

'That the Bill, as amended, be passed'

The motion was adopted

DELHI AND AJMER MERWARA RENT CONTROL BILL—*contd*

Mr President The House will now resume consideration of the Rent Control Bill

Lala Deshbandhu Gupta Sir I do not want to take up the time of the House in giving facts and figures to show the progress of housing in England but I want to read one or two quotations for the information of the Member in charge of the Bill

'During the twenty years between 1919–1939 over four million new houses were built approximately, three millions by private enterprise and one million by local authorities

In addition, Sir, my learned friend, Mr Gokhale has told us that building material was difficult to be had and probably for 5 years we may not make any arrangement to have enough houses for the town In this connection I submit that if our Government desired building material could be collected No one can deny that there are many physical difficulties in the way, but it will be admitted at the same time that our Government do not even know how much imagination is required for it I want to draw the attention of the House to another passage in this connection to show how this problem has been solved in England

'The necessity of speed, economy and conservation of labour in war time building has led to the adoption of a greater degree of standardisation in certain important items of construction By March, 1943, for instance, the number of door types produced had been reduced from 6 to 4, the number of glass substitutes from 300 to 36 proprietory types, the number of window types, from 300 to 30, and the number of standard type bricks from 17 to 2 This process has since been extended to cover such interior equipment as baths, wash basins, sinks, kitchen dressers, broom, cup boards, food storage with electric socket outlets and taps'

Not only this, Sir, if they could not get wood they joined together plywood boards with rosin and made wood for their purpose If the Government possesses imagination, and pays heed to it there is no reason why housing difficulties should not be removed Unfortunately our great national leaders who hold the reins of Government in their hands have no leisure and their attention is not drawn to this question

Sir, the condition of Delhi is pitiable Its population has increased by 6 lakhs during the last few years while there has been no increase in the number of houses during the period The Delhi Improvement Trust was established in 1938 A great many hopes and expectations were bound with it

Mr President I think the Honourable Member is unnecessarily going into a side issue in details Whatever the failures of the Government might have been upto now in not taking up the housing programme, he has sufficiently invited the attention of the Government to the necessity of that The object of the present Bill—the necessity of having some sort of control—is admitted on all hands, and as the Bill is going to the Select Committee, I do not think he need say anything more on the necessity of having a housing programme That matter is indirectly relevant if at all, and he has sufficiently spoken on that Will the Honourable Member now say what he wants to say on the merits of the Bill?

Shri Sri Prakasa (Benares and Gorakhpur Divisions Non-Muhammadan Rural) And also tell the House how is it necessary for people from outside Delhi to come to Delhi at all in such large numbers!

Lala Deshbandhu Gupta. In deference to your wishes, Sir, I will not take much time of the House in this connection but with your permission I will say that so far as the Delhi Improvement Trust is concerned it requires the immediate attention of our Ministers The Trust has realized one crore twenty lakhs of rupees from the sale of lands but it has not offered any building programme as yet Instead of fixing the tenor of the Bill for 4 or 5 years I think its need will end in 2 or 3 years As to the provisions of the Bill I have to say that it has created an impression on the public that the Government has introduced a landlord's Bill It is really not proper to say this Conditions similar to Delhi are found more or less in other parts of the country also that is landlords and tenants cannot be kept in one category today It is a very complicated question While there are thousands of landlords whose financial status is much below their tenants, the number of such landlords is very large whose status with regard to income is much higher than their tenants There is a large number of tenants who cannot afford to bear even one rupee increase in their rents In addition, there are sub-tenants (As pointed out by me during the course of a question in this House) who are sub tenants to the tenants of the Government The number of these sub tenants in Delhi and New Delhi is counted in thousands, we can call these people neither landlords nor tenants There should be a provision for people also in this Bill I desire to impress on the House and the Select Committee that they should bear in mind the distinction that exists between Delhi and New Delhi They should also bear in mind that no large increase is made in the rent of the tenants It will be an act of injustice to them While thinking of the tenants they should also think of the petty landlords who are thousands in number In the end, Sir, I strongly suggest that tenants who hold the residence from the Government on a rental of Rs 17 per month and who have sub-let it for Rs 100 per month should be treated harshly Neither such tenants nor such landlords who have realized thousands of rupees as *pugree*, deserve my compassion In Connaught Place ten thousand of rupees are paid as black money to rent a house or a shop I want that all these things should be borne in mind There are many plots of the Improvement Trust on which buildings can be erected The Improvement Trust have sold out more than 3000 plots but no houses have yet been built on them I think the Select Committee will reach proper conclusions only if it bears in mind all these things and we shall be in a position to pass a Bill which will be acceptable to all the sections of the House

In conclusion I offer my brothers from the South who feel difficulty in understanding the Hindustani language that if they give me one or two hours a day for a week I will see that their difficulties in understanding the Hindustani language are solved within one or two months

Sardar Mangal Singh (East Punjab Sikh) Sir, I welcome this Bill

Mr Tamizuddin Khan: Speak in Hindi

Sardar Mangal Singh Transition from English to Hindustani should be peaceful and gradual

Sir, I welcome this Bill not because it has increased the rents but because the Government feels the necessity of proper rent control I also welcome the statement of the Honourable the Mover of the Bill that Government has come to this House with an open mind

This Bill raises very controversial issues On one side there are house-owners and poor landlords like my Honourable friend on my left and then there are tenants However, the provisions of this Bill either affect the

landlords or the tenants, and this House has to give its careful and dispassionate consideration to the claims of both sides and has got to come to a fair decision

I have to offer a few remarks on some important points It is laid down that this Bill shall remain in force for a period of two years Now, Sir, the difficulties which have been pointed out by my Honourable friend, Mr Gokhale, about the provision of building materials and so on, and also taking into consideration the general economic condition of the country, I do not think that normal conditions will return after two years I therefore submit that this period of two years should be increased to four years, so that the tenants and the landlords may know where they are for the next four years There are three points in the Bill which are controversial One is the standard rent and its definition Secondly, there is the percentage of rent increase and thirdly the question of eviction These to my mind, Sir, are the principle and highly controversial clauses of the Bill As regards the standard rent, it had been laid down in the Bill that the rent which was given on the 1st November 1946, *plus* land tax if any, house tax and *plus* 33 1/3 per cent that will be the standard rent In all previous legislations and the Ordinances issued by the Government of India and other Provincial Governments in this respect, the date has been taken somewhere in 1939 when abnormal conditions began I am really surprised how the Government of India has arrived at this particular date, the 1st November 1946 Such a date line must denote a certain change in the economic condition of the country In our calculations we are generally taking into consideration the 1939 year That is the standard year for calculations and the Economic Adviser to the Government of India takes that year as the standard year and then calculates his index number on that year I am not divulging any secret when I say that the Central Pay Commission has also taken that year as the standard year I am really surprised and I would like to know whether the rents of those buildings built in 1944 45 were fixed at a higher rate, taking into consideration war conditions Now, I wish to ask the Honourable the Mover of the Bill whether there will be the same percentage of increase on that rent which is already a higher rent If you do that you hit the tenant twice which I hope is not the intention of the Government I suggest, Sir, that the standard rent should be taken as that amount of rent which was being paid at the beginning of the war, that is in 1939 And about those buildings which have been built later on, or about those buildings about which we do not know anything, or they were not let on hire at that time, those houses whose rent cannot be determined by anyone of those methods, we can consult the municipal records The house owners pay house tax on their houses and for the purpose of assessment of the house tax in the municipal records, their rental value is maintained It is easy for the Government to consult those records and find out what the standard rent should be Then again, what should be the percentage of increase? Sir, this point requires very careful consideration Since 1939 on the commercial houses 12½ per cent increase has already taken place and this Bill proposes first 33 1/3 per cent on the original rent *plus* 12½ per cent , and then on this whole amount another 25 per cent If we carefully calculate the figures, the increase will go as high as 100 per cent This, I submit, is rather excessive I do appreciate and recognise the difficulties of the house owners They have complained that their houses have been sub-let or they are not getting a fair return on their property That point will have to be taken into consideration But, Sir, we have also to take into consideration what amount the property is fetching now After all, this house rent is an unearned income And what are the other properties yielding in the way of unearned income? For instance the Government securities? What income are these securities yielding? And then what about the bank rate All these things we will have to take into consideration I may

[Sardar Mangal Singh]

be reminded that the landlords have to undertake repairs and the cost of repairs has gone up three or four times We have to make provision for this although the landlords very seldom undertake repairs The complaint is that they do not undertake any repairs but in order to encourage them that they should [illegible] repairs so [illegible] should be made for [illegible] of rent In this respect I would remind the Honourable House the step which the Bombay Government has taken They have brought forward a similar legislation and they propose to increase ten per cent of the rent to encourage the landlords to undertake repairs This is what they say in their objects and reaso[illegible] provision is made for landlords of premises [illegible] intervals which did not take the present high cost of maintenance and repairs into account to make an increase in rent in the existing ten per cent with the object of encouraging landlords to keep the premises in proper repair That is the [illegible] of the Bombay legislation I would commend this point of view to this Honourable House

Now as regards the increases, residential houses will get 33 1/3 per cent on the rent which is paid on the 1st November 1946 In the opinion of the Government is to increase the rent which was prevailing before the war by a certain percentage, then this provision will carry very a[illegible] The [illegible] the tenants to a very great extent and may amount to actual hard[illegible] This point should be taken into serious consideration

Another point which requires careful consideration is the provision of punishment Whether it is a landlord or a tenant in this matter it is meet out even handed justice or fair justice and whether it is the landlord or the tenant who is guilty, give him deterrent punishment This Bill provides a fine of Rs 1,000 only My Honourable friend Lala Deshbandhu Gupta just now said that if any shop is going to fall vacant in Connaught Place large amounts of money are offered as *pagri* amounting to as much Rs 10,000 to 15,000 and if you fine a man Rs 11,000 only, he can easily add to this 1,000 to the *pagri* and take it from the tenant In those cases as in the case of unauthorised sub-letting on the part of the tenant I would submit that a punishment of imprisonment only should be provided No option should be given to the courts to impose a fine instead of imprisonment If these unsocial elements amongst the tenants and the landlords behave like this I feel the legislature would be justified in providing imprisonment in such cases If these people who are in the habit of going to clubs every night know that they have to go to jails, I think they will think twice before demanding *pagri* from those unfortunate people who have to offer it I would therefore urge upon the Government to provide imprisonment only and no other form of punishment in the case of those who are guilty under this Bill

3 P M

Miss Maniben Kara Also *chakki*

Sardar Mangal Singh Imprisonment includes *chakki*

I do not want to take the time of the Honourable House as we want to finish the consideration of this Bill by 5 O clock My last point is about the eviction of tenants On this point we have received opinions from both sides Some of the landlords are really hit hard For instance, if a Government servant who is serving in Bombay retires on pension and he wants to go back to Delhi and settle down there, surely if he has got a house in Delhi he is perfectly entitled to occupy that house If he is after retirement thrown out of his house in Bombay and then when he comes to Delhi he is on the road, his case requires sympathetic consideration But the clauses as they are now before us provide ample room for litigation There has been much abuse of the provisions already in the Ordinance—abuse both on the part of the tenant and on the part of the landlords Flimsy excuses are brought forward to evict the tenants and also the tenants on equally flimsy grounds have

refused to vacate In this matter we have to hold the balance even and provide for real cases of hardship While on this point, care should be taken to resist the temptation on the part of the landlords to get their houses vacated, so that they might get a good amount by way of *Pugri* or may also increase the amount of rent The clause as it stands at present will give ample scope to those people to start litigation The clause reads

> that the landlord requires the premises for use as a residence for himself or his dependants or any person for whose benefit the premises are held by him and that he is unable to secure other suitable accommodation

This is very elastic The word dependants is not defined in the Bill Any near or distant relation can be a dependant In our social system, in our joint family system there are all classes of dependants The position is made further vague by saying ' by any person for whose benefit these premises are held ' This gives room for long and extensive litigation I am prepared to make room to accommodate the landlord himself if he is in real difficulty Beyond that we should not go If we do that we may give a convenient handle to landlords to harass the tenants, and to start unnecessary litigation

While on this point even in the case of the landlord I want to insert a provision that the landlords should not be allowed to file a suit without the permission of the district magistrate or the rent controller of the place At present there are certain unscrupulous landlords—I do not blame all—and there are also certain landlords who are quite honest and they suffer the most But there are landlords who in order to harass the tenant to have an increase in rent or to have a house vacated file suits and engage a lawyer, and worry the tenant Some busy people try to satisfy the landlords Therefore provision should be made that if there is a *prima facie* case only then the landlord should be allowed to file a suit Otherwise that suit should not lie until he has obtained the permission of either the district magistrate or the rent controller of the place

One point more, Sir and I am done I feel that the increase of rent is uniform This law of percentages acts very harshly in the case of low paid people, while it gives some relief to the higher class people I would like a provision to be made in this Bill exempting those tenants who are paying say up to Rs 25 or Rs 30 The poorer classes of tenants should not be forced to undergo this increase There are classes of government servants whose salaries have not been increased very much and in their cases it will be a real hardship In the case of a man who is paying Rs 4, you are putting Rs 2 more That will be a case of real hardship In the case of small tenants some limit may be fixed I have put down tentatively Rs 25 or 30 There is no case of Government losing any money We are making provisions for the benefit of larger numbers This Bill is a highly controversial measure and I gave notice of an amendment that it should be circulated But now that it had been before the public for over three weeks and opinions have been expressed I did not press it The most eloquent expression of opinion was on last Monday, the 24th when almost all the shops were closed There was a complete *hartal* Government should take note of this fact that public protest was strong and unanimous I do not want the Government to be influenced by this *hartal* so much that they may forget the case of the landlords, but at the same time we cannot ignore the fact that on this matter all classes of people are united It was a heartening sight to see in the public meetings Hindus, Muslims and Sikhs and all sorts of people joining together to protest against this Bill It was rather a good thing from the communal point of view

Shri Mohan Lal Saksena: Communal or national point of view?

Sardar Mangal Singh: I mean the same thing This Bill has improved the communal relations I do not want to be misunderstood, but I wish to point out to the Government now that the Honourable the Leader of the House is

[Sardar Mangal Singh]

here, the point of view of the ordinary man in the street Invariably the question is put "Is the National Government coming forward at the first session to increase the rent of the houses?" Whether it is right or wrong it is being talked of freely that this is a Landlords Bill and that the present Government wishes to help the rich people This Bill supports their point of view Personally I think the Government probably had no time to think on these points As the Honourable Mover had said there was no time and therefore the Bill has been hastily drafted and therefore the Government comes here with an open mind What does that mean? It means the Government had no time to give to these important points I am glad from one point of view, namely that they have left the decision to the House But at the same time it shows that the Government was not able to give that amount of time and consideration which this matter deserved I do not wish to tire the House by reading out the opinions which have come from many newspapers and public bodies, but the impression has gone out that this Government is in favour of the landlords and against the poor people I wish that this unfortunate impression should be removed by the action of the Government The man in the street, the common people have put this Government in power If they are disappointed and feel that this Government is not really protecting their interests but is more favourable to the vested interests, I submit, Sir, that the prestige of this Government will go down I am anxious that our people should not be disappointed We should in this House adopt measures for the welfare of the people Of course we cannot please all people The vested interests cannot be pleased, and the greed of the bigger landlords cannot be satisfied We should therefore take a bold and straightforward course We have to improve the condition of the poor people That was our stand when we were fighting the British Government I am sure every Congressman stands for that ideal We should demonstrate that and we should not give an impression of any other kind which may be exploited by our opponents that the Congress Government is now helping the capitalist, that it has let down the poor people who by their sufferings, by their wholehearted support and by their votes have put us in power This may be considered a small measure but this gives an inkling to the mind of those who are ruling the destinies of our country at present I submit that the increase which this Bill provides is really excessive There should be some increase, I admit We might as well follow the Bombay legislation It is only 10 per cent increase on the 1939 standard rent That is also meant to encourage the landlords to carry out repairs in their buildings I hope that the Select Committee will take all these points into consideration and so amend the Bill that it will meet with the approval of the general public outside Sir, I support the Bill

Pandit Mukut Bihari Lal Bhargava (Ajmer-Merwara General) Sir, I rise to support the motion for reference of this Bill to the Select Committee The principle underlying this Bill cannot properly be defended because any measure or enactment of this kind makes serious interference with the rights of private property, and no Government will feel pleased to take the course of adopting such sort of emergency legislation which seriously interferes with the rights of private property But unfortunately we are living in exceptional times, and the legacy of the war and the abnormalities created by the war still exist That is the justification for this measure It has been argued outside the House and also on the floor of this House that this Bill is sponsored to encourage vested interests But I respectfully submit that the very fact that this emergency measure aims at interference with the rights of private property shows that it is not in the interests of landlords but it is for the protection of the larger body of the tenants that the state is taking into consideration the abnormal conditions existing at present and has chosen to take this extraordinary measure of interfering in the domain of the relationship of landlord and tenant which

usually and in ordinary circumstances must be determined by economic factors only Therefore, Sir, this argument that this is a measure for the protection of the landlords is absolutely wrong In fact, it is for the protection of the tenants that this legislation has been sponsored and rightly in the abnormal circumstances in which we are living This measure, as has been pointed out, defers the solution of the problem of acute housing It does not pretend to give a solution for it and therefore it is certainly of a temporary character and for a temporary period It is first for two years and its life is to be extended for another two years, if the conditions do not improve Therefore, Sir, as has been pointed out by my Honourable friend Mr Gupta, this problem must be tackled by the Government on a permanent scale so as to obviate the necessity of a measure of this type which is intended to meet an emergency The fact is that so far as Delhi and New Delhi are concerned, the previous government cannot escape the responsibility for accentuating this problem This indiscriminate shifting of offices from Simla to Delhi has certainly aggravated the problem and further we find that even in these exceptional times there are big bungalows occupied by officers which in ordinary course are capable of accommodating more than one family and still we find that big palatial buildings are being occupied by officers and in many cases, as has been pointed out this licence on the part of the Government has been abused so much so that tenants have sublet at fabulously high prices No action is being taken against them Similarly there are open plots of land particularly in my province of Ajmer Merwara—in Ajmer Beawar and Nasirabad to which the provisions of this Bill apply Large tracts of land which are *nazul* property are under the trust and management of the local boards and municipalities They have no funds at their disposal to invest in construction of buildings and the Government should come to their aid and should advance sufficient funds in order that they may be able to construct buildings and thus the housing problem which is getting more and more acute in Ajmer and other urban areas may be eased If the Government advance sufficient funds to these local bodies either by way of grant or even as loan then so far as my province is concerned the housing problem can very easily be tackled

Coming to the main provisions of this Bill, I will make certain observations for the consideration of the Select Committee Firstly, there is absolutely no reason why under clause (2) where Government happens to be a tenant or the Government has requisitioned the property and is in possession by means of requisitioning it should be treated on a different and better footing than the ordinary tenants The provisions of the Bill should be applied to the Government when it holds the position of a tenant as it is applied in the case of private men

Then the next point is as regards the rent It has been pointed out and rightly on what criteria the Government has fixed 1st November 1946 as the basic period on which the standard rate is to be calculated In the Statement of Objects and Reasons no reason has been given why the 1st November 1946 should have been selected by the author of the Bill In fact in the Rent Control Order that applies to Ajmer-Merwara as also in Ordinance XXV of 1944 which applies to Delhi, 1st January 1939 has been taken to be the basic period Instead of January 1939 it can be taken to be 1st September 1939, that is just preceding the war but there is absolutely no justification for taking 1st November 1946 as the basic period and if the wording is kept as it is in the Bill it will open the door to litigation because it will not be possible by a court of law to determine without oral evidence and oral evidence as everybody knows, opens the door for perjured evidence and therefore the safest course is that provided by the Bombay legislation That is the assessment value of the property as it has been made by a municipal board or in cases where there is no such assessment the rent that was being paid on the 30th September 1939 *plus* such enhancement as may be laid down in the Bill

[Pandit Mukut Bihari Lal Bhargava]

Then I think the greatest defect in this Bill is that it applies a uniform and flat rate in respect of all classes of tenants, in respect of the tenants living in different areas That is the greatest defect of the Bill because the conditions even in New Delhi and Old Delhi are absolutely different Similarly conditions are different in Ajmer, Beawar and Nasirabad which are smaller places, where conditions are absolutely different from those in Delhi and New Delhi It has been argued by the Member in charge of the Bill that the Government did not like to waste the valueable time of this legislature by bringing in three Bills in respect of the three areas but I ask why should not a separate provision have been made in the four corners of the Bill in respect to the areas which are absolutely different from each other and where the local conditions are diametrically opposite and irreconcilable Therefore the first duty of the Select Committee will be to lay down different standard rents in respect of different areas and also in respect to the different classes of tenants The Ajmer Rent Control Order, section 3, gives a progressive rate of rent in respect of the different classes of tenants In the case of those paying rent below Rs 25, it is only 8 and one-third per cent In respect of tenants paying rent up to 50, it is 12½ per cent and in respect of tenants paying rent above Rs 50 it is 25 per cent Difference has also been made there in respect of the residential buildings as also commercial buildings and in case of commercial buildings the progressive rate prescribed in the case of those buildings paying rent upto Rs 25 is 25 per cent and in respect of other buildings it is 50 per cent Therefore I submit that the Select Committee will be better advised if some sort of progressive rate is provided in respect of the different classes of tenants as also in respect of different areas

Then coming to the next controversial clause in the Bill, about the enhancement of rent in respect of the residential buildings by 33 and 1/3 per cent and in respect of the non-residential buildings 33 and 1/3 *plus* 25 per cent, I submit it is exorbitant and it certainly goes to the detriment of the tenants There is absolutely no justification for this particularly when the basic year provided is November 1946 Therefore, this clause, in respect of rent, requires to be drastically modified and recast both in respect of the standard year and also in respect of the standard of enhancement that is provided for there

Then, Sir, the next controversial clause is about the ejection of tenants The clause as it stands will create very bad times for the tenants and it will encourage litigation Therefore, as is the case in the Ordinance of 1944, which is applicable in Delhi, provision should be made that if at any time a tenant shows that he is ready and willing to pay the rent, then the rent should be paid by the tenant to the landlord and he should not be ejected from the building In the present Bill it has been provided that if within one month of the notice of payment he does not pay the rent, then it is a ground for ejection Here also in a court of law it will be a question of dispute as to whether any payment was made or not and it will be easy for the landlords to evade accepting the rent for a considerable period and then to go to the court of law and say that because the rent has not been paid, the tenant is liable to be ejected Consequently the better clause is the one that exists in Ordinance XXV of 1944 which is to the effect that as soon as the tenant shows his readiness and willingness to pay the rent, it should be accepted The next point of dispute in this clause is about the contingency when it will be possible for the landlord to take the building for his own use Here also the words of the clause are very vague and very indefinite and are liable to lead to litigation In fact, in the Ordinance of 1944 no such clause exists and if any such provision is to be made it must be provided in the Bill, that it is only for the *bona fide* use of the house-owner that the house may be vacated and not for his dependents The word 'dependent as has been pointed out, is a very wide term and it should be deleted from the provisions of the Bill

Then, Sir, the greatest defect in the Bill is clause 11 I was surprised to find why an exceptional clause of this nature should have been incorporated in this Bill, because neither in the Ajmer Rent Control Order nor in the Ordinance of 1944 were similar powers reserved by the Government that it will be the duty of the house owner to notify to the Collector within 7 days of the vacation that the House has been vacated The clause further provides that in the next 7 days the Collector will have absolute and arbitrary powers to put any officer of the Government in occupation of the building I respectfully submit that no such drastic powers vested in the Government either under the Defence of India Rules or under Ordinance XXV of 1944 and where is the justification for a measure of this nature in these peace times? It has been contested by the Member in charge that certain Embassies are coming from foreign lands to Delhi and buildings are necessary for their accommodation and that is the justification for this clause in the Bill I respectfully submit that this clause is a dangerous clause and no civilised Government can merely on the plea that certain Embassies will have to be accommodated, have these extraordinary powers, which means almost the negation of the elementary rights of private ownership Therefore I contest that clause 11 should be deleted altogether from the provisions of this Bill

Then, Sir, in the end I would like to mention that a measure of this nature can not be given a prolonged life by repeated doses of legislation after every two or three years The remedy lies in tackling the problem on a permanent basis and no Government in these modern and civilised times can refuse the facilities of housing Just as food and water are necessary for a civilised existence similarly housing shelter is necessary and it is the primary duty of a civilised Government to provide accommodation for every person This can only be done with such a housing programme the picture of which has been given by my Honourable friend Lala Deshbandhu Gupta With these remarks I support the motion

Mr. President. I find so many Honourable Members anxious to speak on this Bill and I do not wish to curtail the debate at all But there is just one point which I would like to mention After all, the Bill is going to the Select Committee and I want to point out one difficulty Unless we put this motion through today, the only other official day will be the 5th March and then the House adjourns on that day to reassemble on the 10th The other days are holidays The motion suggests that the Select Committee should report by the 10th March Unless, therefore, we sit with a determination to put through this motion today, the possibility of the Select Committee reporting by the 10th will prove infructuous because the House will have no time I would therefore request all Honourable Members who wish to speak not to repeat the same arguments over and over again not to go into the various clauses in detail but just to touch salient points to which they wish to invite the attention of the Select Committee

Mr Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa Muhammadan) Sir, I quite appreciate the point of view that the Chair has placed before the House and I do not propose to discuss any clauses of the Bill On the whole, I think the Bill is useful and necessary The only point that I want to bring to the notice of the House is that we have got to look into the question of the availability of the house more than the consideration to be given to the landlord From the opinions that have been expressed in various newspapers and the propaganda that has been carried out the point has been made by the landlords that they should be allowed to have a bigger share in the increase because it costs them much more now for repairs and also they feel that the construction of a new building now costs much more than before The question of the construction of new buildings is not at all being discussed on the floor of the House and the landlords have to satisfy themselves with just as much income

[Mr Muhammad Nauman]

as was available to them in 1939 That is not the case of the landlords in Delhi only, but in Bihar and Orissa due to the permanent settlement the landlords have to be satisfied with the rental which was fixed somewhere in the year 1867 by Lord Cornwallis The rents which were applicable to them at that time, namely Rs 3 or Rs. 5 per acre are still prevalent now No Government has ever taken notice of the fact that because of the changing conditions the land lords should be given any particular advantage or permission to increase their rents That condition not being there, I do not suppose the landlords have any case for any increment I would suggest that efforts should be made more to save the tenants rather than give any advantage to the landlords The landlords are the capitalist section of the society In view of the present wave of democ racy that is prevalent in the country, I think this House should take interest more in the tenants than in the landlords I do not want to discuss the question of eviction or increase or anything like that I only want that the Members of the Select Committee should bear this in mind that there should be no increase in rents on the basis of 1946 rents The landlords should not be permitted to do that With these remarks, I resume my seat

Sardar Sampuran Singh: Sir, I welcome this Bill It is really beneficial both to the house-owners and the tenants A good deal of criticism has been levelled on the clause about eviction I find this is mainly on account of not really understanding what exactly is meant by the clause relating to eviction of tenants For example clause 9(e) has a provision that if the landlord requires the premises for use as a residence for himself or his dependants he can get them vacated I think the word 'dependant' is clear enough If necessary it can be further defined It means people who live on the income of the owner *i e*, his children, wife and such other persons The question of joint family does not arise, because if it were a joint family property, then all the joint owners will be considered owners If the owner of the property is a single person then of course it depends upon him only and his dependants to get it vacated If there are several owners, naturally all their dependants will come under that defin tion Moreover some Honourable Members have said that it should not have been provided that the house could be vacated for "any person for whose benefit the premises are held by him' This would be most ridiculous If the house is in trust with a person for the benefit of a third person, then the real house-owner is that person for whose benefit he is holding that house and under such cir cumstances there should be greater reason that the House should be vacated for the use of the beneficiary It is quite correct that increase in rent should be allowed on account of the rise in cost of repairs and cost of management These things are more or less for calculation We are not bound by any figures If 33 per cent is very high, I think it could be reduced to some reasonable figure On the whole the Bill is a very useful measure With these remarks, I support the Bill

Shri Mohan Lal Saksena: Sir, I move

"That the name of Pundit Thakurdas Bhargava be added to the names of members of the Select Committee."

With your permission I should like to make a few observations Let me tell you frankly, Sir, that I cannot compliment the Works Mines and Power Depart ment on the draft of the Bill which has been introduced True in his haste to introduce the Bill on the first day of the opening of the Session the Honourable Member wanted to have some sort of Bill I may tell my Honourable friend that in doing so he has done a great deal of mischief He has created a wrong impression and he has brought a lot of odium on the present Interim Govern ment He has told us that he will try to undo the mischief partly by making a statement that he is just incorporating the recommendations made by the Chief Commissioners and tried to introduce it in the form of one Bill He has also told

us that the representatives of both landlords and tenants were consulted From what I have personally learnt in Delhi, I can say that the representatives of tenants in Delhi were not consulted by the Chief Commissioner and some of the provisions in the Bill as drafted are such as to give the impression, which has gone abroad that it was drafted with the approval or at the instance or suggestion of the house-owners and landlords

Sardar Mangal Singh: Or at the instigation of landlords

Shri Mohan Lal Saksena: The first question that the Select Committee will have to consider, as has been pointed out by my Honourable friend Pandit Mukut Bihari Lal Bhargava, is whether the provisions of the Bill should apply to all areas provided for Up till now three Ordinances were issued This shows that the provisions of these three Ordinances are quite different from one another Therefore the Select Committee will have to consider whether different provisions should not be framed for Ajmer-Merwara, for Delhi and for New Delhi We know that Shahdara comes in the Bill but the conditions in Shahdara are quite different from the conditions prevailing in New Delhi There is another point to which I should like to draw the attention of the Select Committee, and that is that we should introduce such provisions in the Bill as would increase litigation In fact the Select Committee should devise ways and means by which litigation could be minimised As a matter of fact there should be some machinery provided by which there should be speedier and summary settlement of disputes arising between landlords and tenants With these remarks I support the Motion for referring the Bill to the Select Committee

Mr. President Amendment moved

"That the name of Pundit Thakurdas Bhargava be added to the names of Members of the Select Committee"

Miss Maniben Kara: Sir, I welcome the main idea of the Bill, *viz* , to control rents But the Bill as it stands does not show that the purpose is to control existing rents For the last 15 days or so I have been watching with great interest the measures brought before this House I want to judge every issue on its own merits I am indeed greatly disappointed that in these last few days a number of Bills have been introduced which to my mind are against the interests of the poor and common people of this country I am all the same happy to hear the statement made by the Honourable Mover that on this particular Bill he is going to keep an open mind and the issues involved will be seriously considered and if necessary overhauled in the Select Committee As a number of speakers have already spoken on the Bill clause by clause it is not my intention at this stage to repeat the same arguments because I am greatly interested to see that this Bill goes to the Select Committee and comes back to this House before the expiry of the Ordinance I only wish to point out a few facts which to my mind have not been brought out by the previous speakers I am of opinion that there is no justification whatsoever for any increment in rent, for the simple reason that in non residential premises increment has already been effected in 1946 In all other provinces wherever any slight increase has taken place it is done on the basis of rent in 1939 Here again Sir the basic rent peculiarly enough in this province is not only the rent which the tenant pays to the landlord but also the ground rent and house tax which is paid by the tenant I do not think the municipal laws allow this but somehow or other the practice has been that a tenant not only pays rent but he has to pay the house tax as well as ground rent So the 33 per cent increment proposed in this Bill is an increment not only on the rent but also on the house tax and the ground rent

Mr. President: What does the Honourable Member mean by ground rent?

Sardar Mangal Singh: That is lease rent

Mr. President: Does the tenant have to pay that?

Miss Maniben Kara: It is prevalent in many of the houses in New Delhi,—I definitely know

Mr. President: I do not know the conditions in Delhi but I know that in Ahmedabad and other places wherever a tenant puts up his own hut on a particular ground he is liable to pay ground rent The structure belongs then to the tenant But if the structure belongs to the landlord, of course the ground rent does not come into the picture But that is a matter for the Honourable Member's information I was surprised when she was talking of ground rent, perhaps she is confused about the ownership of the structure In one case it belongs to the landlord, in the other case to the tenant

Miss Maniben Kara: My information is based on the memorandum submitted to most of the Members by the Tenants' Association, if I am wrong I shall be very happy to be corrected These matters may be discussed in the Select Committee But the clause as it stands says that the increment will have to be paid not only on the rent but even on the house tax I personally think that this is most unjust on the face of it The Bill as it stands will mean, in the case of a residential area, an increase not of 33 p c but 40 p c I base my argument on the basis that if the rent is Rs 100 the house tax which the tenant today has to pay is Rs 6/4, and according to my information he has to pay Rs 10 as ground rent That comes to Rs 116/4 Sir, the proposed increment of 33 p c is based not on Rs 100 but on Rs 116/4 and that comes to somewhere near 40 p c increase in the residential area I consider this to be a very serious matter to which the Select Committee must give serious consideration

In case of the business areas if we assume the standard rent as that of 1939, for which almost all the speakers have made out a case the proposed increase actually comes to 87 p c My Honourable friend Sardar Mangal Singh very ably made out a case in favour of the tenants when he said that there is absolutely no justification whatever at this stage to have any increment It is not a matter of compromise it is because we have made it a compromise that we are not asking for the reduction of rent There was no justification for increment of rent in 1946 but since that was done today there is absolutely no justification for any increment of rent

Lastly taking into account the increased population and the scarcity of houses it is the primary duty of Government to see that the people are housed At this stage to come out with a Bill giving more powers to the landlords and making it more difficult for the tenants is something which is not expected of the present Government I therefore hope that in the Select Committee this Bill will be completely overhauled

Mr. B K Gokhale Sir, I am greatly obliged to the Honourable Members who have taken part in the debate for the large number of helpful and valuable suggestions that have been made I am quite sure that these suggestions will be very useful when the Bill is considered in the Select Committee A certain number of suggestions have been made and criticism offered on the general policy of housing and my Honourable friend Lala Deshbandhu Gupta told us how in the United Kingdom they have had as many as 15 Housing Acts in the last 15 years and spent large sums of money on encouraging private housing I can assure the House that the question of encouraging private housing is being actively pursued by Government Whatever has been said on the floor of the House today I shall convey to the departments concerned, that is to the Health Department which is in charge of housing, and the Department of Industries and Supplies which controls building materials and can make more building materials available in Delhi province

I do not wish to take up the time of the House by dealing with all the various points of criticism which have been offered They will no doubt be considered in

the Select Committee But I must emphatically assert that there is no question of this being a landlords' Bill If this Bill is dropped and if the House decides not to proceed with it I am quite sure that the landlords will be only too pleased, they will be delighted Nothing will please them more than that this Bill should be dropped and not proceeded with any further It is definitely a tenants' Bill It is only because Government feel that rents must continue to be controlled for the next few years until the housing position improves and the law of supply and demand again operates, that this Bill has been introduced

4 P M

As regards the various provisions of the Bill, I made it perfectly clear when I moved for reference to the Select Committee that Government were keeping an open mind, that they were not committed to any particular provisions and would be perfectly prepared to consider any reasonable suggestions or any reasonable solution which might be evolved in the Select Committee The speeches which have been made today show the complexity of the problems involved It is not a very easy problem to deal with and to make provisions in a hurry to meet so many varying situations

As regards the point made by the Honourable Member from Ajmer Merwara I can assure him that there will be no difficulty at all in making special provisions for special areas or for special classes of tenants and things like that, in the Select Committee If the Select Committee decides that Ajmer Merwara rents should be treated on a different footing it will be quite easy to make suitable provisions to that effect Similarly if the Select Committee feels that rents below Rs 30 should not be enhanced that again can be provided for, and so on and so forth

[At this stage Mr President vacated the Chair, which was then occupied by Mr Deputy President (Khan Mohammad Yamin Khan)]

Just one more point A good deal of criticism has been offered on clause 11 and it has been said that no such provision exists anywhere else I may just explain for the information of the Honourable Members that clause 11 is drafted on the lines of a similar provision in the Madras Rent Control Act which has been passed by the Legislature in Madras I am also given to understand—though I have not myself verified the statement—that a similar provision is contemplated in the Rent Control Bill which has been introduced in the United Provinces So it is not something which we have evolved on our own The difficulty is there If the powers of requisitioning are no longer available to Government, indirect requisitioning in this form might help Government, to tide over the difficulty of housing their own government servants and the foreign Embassies, Legations and others which I have mentioned I would like to make it clear that although I mentioned foreign Embassies and Legations as an example, I would not say that that is the real object of the clause or that that is the sole or the main reason I have only mentioned it by way of illustration

I may also add that I have been very carefully watching the opinions expressed by landlords on this clause and I find that hardly any landlord has taken objection to it After all it is the landlords who might have taken objection to this clause, and hardly any landlords association has taken objection All that they have suggested is certain amendments However in respect of this clause also, Government keep an open mind, and I am not asking the House at this stage to commit itself either to clause 11 or to any of the other provisions of this Bill All that I am asking the House is to accept the principle of rent control for the next few years, the exact date to be determined by this House and by the Select Committee and on that main principle, which is entirely in the interest of the tenants, I find that there is complete unanimity in this House So with these few words, Sir I commend my motion to the House

Mr. Deputy President: The question is

"That the name of Pundit Thakurdas Bhargava be added to the names of Members of the Select Committee"

The motion was adopted

Mr. Deputy President: The question is

'That the Bill to make better provision for the control of rents in certain areas in the Provinces of Delhi and Ajmer Merwara be referred to a Select Committee consisting of Mr C P Lawson, Dr J C Chatterjee, Sardar Mangal Singh, Khan Mohammad Yamin Khan, Mr Hafiz M Ghazanfarulla, Mr Shah Nazar Hasan, Pandit Mukat Bihari Lal Bhargava, Shri Mohan Lal Saksena, Shri Satya Narayan Sinha, Lala Deshbandhu Gupta, Seth Sukhdev, Mr Manu Subedar, Miss Maniben Kara, Pundit Thakur Das Bhargava, and the Mover, with instructions to report on or before the 10th March, 1947, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five"

The motion was adopted

IMPORTS AND EXPORTS (CONTROL) BILL

The Honourable Mr I I Chundrigar (Commerce Member) Sir, I move

'That the Bill to continue for a limited period powers to prohibit or control imports and exports, be taken into consideration"

This is a short Bill of about half a dozen clauses As the Honourable Members of this House are aware, certain powers were taken by Government during the war under the Defence of India Act and Rules and when these powers lapsed on the 30th of September 1946 they were continued by the Emergency Provisions (Continuance) Ordinance, 1946 (Ordinance XX of 1946) The powers under this Ordinance will also not be available to Government after the 24th of March 1947 when they will come to an end, and at this stage it appears necessary to have those powers in order to avoid any disturbance to the economy of the country

To ment on very briefly the necessity for having legislation of this character, I may say that there is a shortage of dollars and other difficult currencies and unless we have powers to regulate imports from hard currency countries the available exchange may be used up in the import of articles which may not be so very necessary here from the point of view of the economy of the country as a whole There is also the question of shortage of shipping space, though the position in this respect is improving daily It is, however, necessary to have these powers in order that we may be able to make the best possible use of the shipping space which is available for bringing to this country articles which we want more urgently than others Thirdly, we have to safeguard to a reasonable extent the interests of certain indigenous industries in order that there may not be dumping from other countries such as may kill the local industries For this purpose also it is necessary that Government should have powers to regulate imports Lastly, there is the question of the liquidation of certain war surpluses We should not allow import of goods of which large surpluses exist with Government and so create accumulation of stocks not required in the country On the export side, the necessity of some legislation of this character is even greater as there are many things which are in short supply in India itself, and if there are no restrictions on exports, these commodities may be exported in such large quantities that we may find it difficult to meet our own internal requirements To give you an illustration Thus there is an acute shortage of cloth, oils and oilseeds and some other commodities Unless we have powers to restrict or prevent exports of these commodities we will not be able to satisfy the internal demand This however would not mean that in all cases Government is going to exercise its powers drastically Each case will be dealt with on merits, and, wherever it is possible, steps will be taken to liberalise imports and exports consistently with the essential requirements of the country

This in brief are the objects with which this Bill has been brought before the House and I do not consider it necessary to go into the question in great detail at this stage because an amendment has been proposed that the Bill may be referred to a Select Committee If the House is desirous of referring the Bill to a Select Committee, I would accept the proposal, provided the Select Committee reports to the House at an early date and it is possible for the Bill to be passed before 24th March

There is a motion also for circulation of the Bill I am sorry that motion cannot be accepted as these powers must be vested in Government before the 24th March, because unless this is done the whole of the present control on imports and exports will be disorganized Sir I move

Mr. Deputy President: Motion moved

That the Bill to continue for a limited period powers to prohibit or control imports and exports be taken into consideration

Mr. C. P. Lawson (Bengal European) Sir I move

That the Bill be referred to a Select Committee consisting of Sri R Venkatasubba Reddiar, Mr B P Jhunjhunwala Shri D P Karmarkar Sjt N V Gadgil, Rai Bahadur D M Bhattacharya Mr Hafiz M Ghaznafarulla Mr Muhammad Nauman Mr Mohammad M Killedar Mr Leslie Gwilt and the Mover with instructions to report by the 15th March 1947 and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five "

I propose to be as quick as possible in giving the reasons which have prompted us on this side to move for reference to a Select Committee The reasons which I will explain as briefly as possible consist of three reasons of detail and two reasons of principle Perhaps it will facilitate proceedings if I deal with the points of detail first

The first point is in connection with the duration of the Bill Doubtless there is good reason in the mind of the Honourable the Commerce Member for indicating a period of three years but his objects and reasons as stated in this Bill do not particularly support this specific period The objects and reasons say

The question of continuance of import and export control beyond the 24th March 1947 has been examined and it is considered that though the actual administration of these measures calls for gradual simplification as conditions permit the measures themselves should be retained for sometime longer in order to avoid any disturbance to the economy of the country during the transition from war time to peace time conditions "

The war has now been over for a considerable time and I suggest that a period of three further years in order to provide for the transfer from war time to peace time conditions could obviously not be justified

The second point of detail that I have to mention is contained in clause 3 sub clause 2 of the Bill, and here I would like the Commerce Member's attention for a moment if he can possibly give it to me

Clause 3 sub clause 2 reads

All goods to which any order under sub section (1) applies shall be deemed to be goods of which the import or export has been prohibited or restricted under section 19 of the Sea Customs Act 1878, and all the provisions of that Act shall have effect accordingly except that section 183 thereof shall have effect as if for the word shall therein the word 'may were substituted "

I do not know what the intention of the Commerce Member here is Does he, for instance, imply by this that the penalty implied by section 183 of the Sea Customs Act is by this clause made permissive instead of obligatory? Is he in fact by this clause hoping to make things easier for the importer? Well Sir whatever his intention is, the clause will not have that effect By making this clause permissive instead of obligatory an extra burden is placed on the importer In other words whereas hitherto an importer had the option of either

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accepting a fine or accepting the confiscation of his goods, this clause removes that option and makes it discretionary upon the customs authorities to decide whether the importer should suffer confiscation or fine In fact, the mischief of this clause is heavier upon the importer than the previous clause I do not know whether that is the Commerce Member's intention

The third point deals with clause 3, sub-clause 3, which deals with the question of transhipment Here again I am not certain what the Commerce Member s intention is He retains here the right to forbid the transhipment at any port in India and while I can quite understand that under war conditions that provision was necessary, I cannot see why the provision is necessary in peace time If in peace time there is no room in a port for transhipment, the steamer will have to remain in the port, meeting the port dues while it is waiting for a berth and surely the intention should be to encourage transhipment at Indian ports as far as possible, so that the port should get advantage of all port dues There may be some reason, which I have not seen, for including that provision

I shall now deal very briefly with the two points of principle In the first place I notice a regretable tendency in legislation that is coming before this House, for the House to avoid the necessity for detailed legislation by handing over to the executive a blanket power to deal with the subject as the executive thinks fit What, in fact, the House in such cases is saying is "A certain matter must be dealt with in a certain way We do not want to say in what particular way you must deal with that particular matter We leave it entirely to the executive to deal with the matter in the manner in which they think fit " Now, Sir, it is perfectly open to this House, to any legislature, to do that In fact the Third Reich did very much the same thing But if you hand over powers to the executive in that manner, please do not call it democracy, because it is not democracy

I must also point out that a law that is made in this legislature is not merely interpreted by the Cabinet, by the executive of this legislature That law is interpreted by hundreds of officials in every part of the country and their interpretation may be very different I therefore suggest that this habit of handing over blanket powers to an executive, however nationalistic you may feel, and howevermuch easier it may be than producing good legislation, is not, in fact, legislation but laziness The duty of a democratic legislature is to lay down what a law should be to the best of its ability, so that the interpretation of that law shall not vary all over the country In this particular Bill a blanket power is being handed to the executive to deal with imports and exports exactly as they think fit I submit that it is necessary and, in fact, the duty of this House to consider to what extent this blanket power can be circumscribed, what in fact do they wish the Commerce Member to do Do they wish him to prohibit imports or prohibit exports for a specific purpose? If so, it should be laid down in the Bill what that specific purpose is

Let me pass on to the more particular point of principle arising from that For what purpose does the Commerce Member require these powers? He has explained to us that he wants to conserve dollar or hard currency We on this side entirely agree that it is necessary that hard currency should be conserved and it is therefore necessary that expenditure on imports should be limited Then, Sir, the Commerce Member has mentioned other reasons—dumping and the like Do we wish him to exercise these powers of control to prevent dumping?

Now, what are the methods of controlling the imports into a country? The normal method is the method of tariffs The tariff wall can be made high enough to make it quite unprofitable for an importer to import goods from abroad There is no limit to the tariff which a country can impose It can

put, if it wishes to put 200 or 300 per cent on an article to be imported I say that a country can impose a tariff duty of this great size But equally so it is necessary for the Commerce Member to consider whether an article which requires such a very high tariff is worth protecting? My point for the moment is this The Commerce Member has mentioned dumping Could he not stop dumping by a very high tariff? Surely there must be a tariff figure which would make it entirely impossible for certain goods to be imported Now I work up to this point, whether it is wise or not to use the weapon of total prohibition or tariff protection of indigenous industries in the country Is there anything that total prohibition would do which a good tariff policy could not do? There may be certain exceptional circumstances that I understand But we are legislating for three years ahead and it seems to me that we require a very clear indication as to what the policy of prohibition would be We are facing a period in which it is not so much a question of deciding what we shall take from foreign countries as what foreign countries will be able to supply to us and I must say that I am a little afraid of the utilisation of this policy of prohibition without a due understanding of how the weapon is to be used It is certainly salutary that indigenous manufactures in this country shall have some competition to contend with Otherwise there is not much incentive to improve the quality of an article manufactured indigenously There comes in fact a time in which an article is just not purchased if it does not reach a certain standard Then, Sir, all that happens as a result of prohibition is that you lose your customs duty, you lose the consumer goods or the capital goods that might arrive by import and the country profits in no single way Also, Sir, I think it is very necessary to consider into what hands you place these very large powers The Commerce Member spoke about these powers and made it clear that in producing this legislation he is doing no more than continuing a piece of war-time emergency legislation That is perfectly true The war-time legislation was introduced for a certain purpose It was introduced at that time so that war materials might be produced and, if necessary, nothing else Now, Sir, in continuing those provisions it is very necessary to consider into whose hands the power will go It is no use pretending that the powers under the Ordinance are not already used for the purpose of protecting indigenous industry It is a fact that they are already being used for that purpose, whatever the intention was when the war-time legislation was introduced But in this use by departments of Government and, if I may say so, by people technically unqualified to use these powers, some very considerable mistakes have been made We have already a machinery by which the normal process of tariff control is put into operation That machinery is by means of the Tariff Board The Tariff Board is a collection of experts. They know what they are doing, they take evidence and they consider every aspect of the protection and the limitations which they are going to put in force But, Sir, when a single department of Government says "Look here, we want to keep in this country all the country's production of so and so" and arranges that that is done without any consideration of how it is liable to affect other departments and what repercussions the action is going to have on the general economy of the country, then I suggest the process goes astray

Now, Sir, I do not want to go long on what is no more than a motion to refer this Bill to Select Committee But I feel that the House should know the reasons that have made us on this side to move the motion and also to have some idea of the amendments that we will finally suggest should be made to the Bill For instance, if the weapon of prohibition is to be used as the Commerce Member suggested for the purpose of protecting indigenous industry—perhaps the Commerce Member will be able to define how that weapon is to be used—is he going to use it broadly in every sense to protect any indigenous industry, or is he going to use that weapon merely as a stopgap while the Tariff Board is considering what level of tariff will be sufficient to protect the indigenous industry in question? All these things, Sir, can be put into a

[Mr C P Lawson]

Bill I very much doubt whether in the short time that is left it will be possible to shape this Bill just as the House should want this Bill to be shaped This is a matter which should have been under consideration last September when the emergency legislation ceased We have already had one example today of a Bill placed before this House for consideration and passing which manifestly contained a mistake in drafting The mistake was put right rather quickly Honourable Members of this House had no chance to consider the implications of the changes made, and the Bill has now passed through this Honourable House I am afraid, Sir, that in the short time that remains between now and the 15th March the Select Committee will need to put on all their thinking caps and to give this matter very urgent consideration if they are going to put on the statute book a Bill which is worthy of being a statute I hope, Sir, that the Commerce Member will not take my remarks in this connection amiss, but it is extremely necessary that in giving wide blanket powers of this nature to the administration, powers which will need to be interpreted by a mass of officials from the top to the bottom, which will need to be interpreted by various departments consisting only, as is the custom of Government, of the water tight compartments of their own departmental work—in all those circumstances, Sir I do suggest that a measure of this sort should have received very much more consideration I would in fact have been very much more confortable in my mind if a Select Committee motion had come from the Government side and had come, not within a fortnight or so of the expiry of the emergency legislation, but something like six months beforehand

Sir, I move

Mr Deputy President Amendment moved

"That the Bill be referred to a Select Committee consisting of Sri R Venkatasubba Reddiar, Mr B P Jhunjhunwala, Shri D P Karmarkar, Sjt N V Gadgil, Rai Bahadur D M Bhattacharya, Mr Hafiz M Ghaznafarulla, Mr Muhammad Nauman, Mr Mohammad M Killedar, Mr Leslie Gwilt and the Mover, with instructions to report by the 15th March 1947, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five"

Sjt N V Gadgil (Bombay Central Division Non-Muhammadan Rural) Although this Bill seems to be a very small Bill, as I listened to the speech of my Honourable friend Mr Lawson, I immediately understood its extreme importance Mr Lawson was rather displeased with the fact that this Bill leaves power with the executive practically to control the foreign trade of this country When an Englishman in India becomes nervous of power being granted to the executive, the Indian must look into that question more deeply than would have been otherwise the case I consider that this Bill is essential Assume for the sake of argument that if this Bill is not passed into an enactment the position would be approximately that this country will be on the footing of free trade Now, what will be the consequences of such a situation During the course of the last six years—I do not take into consideration for the time being the period prior to that—many new industries have come into existence and many old industries have found their feet Many others have expanded All that had enured to the benefit of this country and if we are not to take advantage of this, no method is better calculated to do this than not to have any Bill of this character I know the dangers of investing the executive with powers but not powers of this character Especially when we have a Government with a completely national outlook, I must expect that Government to look not only merely to the consumers' interest of the day but to the larger interest of the country from the point of view of industrial expansion I know that a few weeks hence there is going to be an international trade conference but I have not the slightest doubt that whatever may be the position of our country there, it is not going to be prejudiced in

any the least but on the other hand I think and I am assured by the Honourable the Commerce Member that the passing of this Bill will strengthen the hands of our delegates at that international trade conference During the last six years, foreign trade has practically been under 100 per cent control Now, if that control is to be removed on the assumption that we want to revert back to the old economy, even then it has got to be removed gradually but if we want to consider whether our own country should not revert to the old policy in the matter of foreign trade but in view of the experience gained during these six long years of war and the additional 18 months thereafter, if we are convinced after mature consideration that if not in all, at least in the case of some commodities the foreign trade must be a State monopoly I think it is a question which deserves consideration at the hands of members of the Select Committee The period that is contemplated by this Bill is a period of three years I have no doubt that these three years will ultimately lay the foundations of India's foreign trade and knowing this important aspect of the whole question only a Commerce Member who is in Bedlam will alone venture to remove all control and allow free economy to work itself probably to the disaster of this country I am even willing to concede that those who have been in charge of this business during the last six or seven years have not done very well They may not be qualified, as was suggested by my friend Mr Lawson but that is no argument to show that the machinery as has been visualised in this Bill is not good enough and not in the best interests of this country I just try to think out what will be its effect so far as the internal trade and economy of this country are concerned and what will be the effect of this Bill on the foreign trade

Now, coming to the first point, I think that it must have been extremely difficult for those who have worked the control scheme to allot export or import licenses and I have heard innumerable complaints, some of them I have passed on to the Honourable the Commerce Member and he must have also received quite a large number All is not well in the control department But that does not mean that we must remove it because we know the consequences of a wholesale removal I will therefore suggest in view of the experience gained so far whether it would not be better for the Government to have a monopoly of the foreign trade I know that in the political context today this may be considered, I should say, a very bold suggestion but at any rate I claim that it deserves to be studied and given further consideration Just imagine the problems that arise so far as the internal trade is concerned Why is that that those who happened to be in the trade before a particular date should continue to get the license and not others In this democratic age, we are all against vested interests, whether inherited or acquired but here we are allowing them to function with the sanction of law Would it not be better that either the whole thing should go or in the alternative, in the interest of efficient administration, in the interest of honest administration and in the interest of justice also, the whole foreign trade should become a state monopoly If we are out for a big programme of industrialisation and if today we do not plan and visualise what will be our requirements and if we allow, by removing all sorts of control, the import of consumers goods, the industries which have just come into existence on account of the war or those which have just found their feet will be adversely affected I know this question is also related to another big question, namely, whether we shall have free trade or protection And it is because I know that this question is involved that I am very anxious that the members of the Select Committee ought to go into this question more carefully If other countries in the west have built up their industries behind the shell of protection and behind high tariff walls, what is wrong if India has followed or continues to follow that policy? In fact, there is greater reason why India should follow it more rigorously than it did before because it has been stated in the proceedings of the Preliminary Conference that the object of the international trade must be to raise the standard of living and to find

[Sjt N V Gadgil]

full employment and thereby secure world peace If the object is so great and so laudable, I want to understand how in India the policy of full employment is going to succeed unless India enters on a big scale on a policy of industrialisation If industrialisation is to be achieved, it cannot be achieved unless there is a sort of protection whereby the Indian industries, the national industries, will be protected Now, what will actually be the measure of protection and what industries should be started in India? Whether we should follow a policy of autarchy and economic self-sufficiency or whether we should follow a policy with some modification *viz* the policy of having industries on the basis of comparative cost, is a matter on which I am not dogmatic, but it is certainly a matter on which every one of us should concentrate and think out what is in the best interests of this country But that will certainly take time If that is so, will it be prudent to give up the power that the present Government has and allow things to go on with the result that a situation may come in which it will practically become impossible for Indian industries to start or even to expand? It is not a question now to prejudice any other bigger question, but certainly, I think, this Bill is brought with the intention that there must be enough time for this country, at least a period of three years, during which a well thought-out plan of industrialisation can be worked out and can be put into practice If that is done, I do not see why any Member should object to it

Mr. C. P Lawson May I interrupt the Honourable Member for a minute? I think he may have misunderstood me I have not argued against tariff protection In fact, I have done quite the reverse I have said that tariff protection is the correct and the right way of protecting indigenous industries All that I have suggested to the Commerce Member is that he should consider whether protection by prohibition is a correct method

Sjt N. V Gadgil I am glad that my Honourable friend Mr Lawson also stands for protection But what I am making out is this Even for that protection, you must give Government some time to think out, and if the Bill is not passed, there will be no time and, as I said, a situation may develop in which the prospects of Indian industries will be greatly prejudiced It is with that point of view that I support the reference to the Select Committee

Shri D P. Karmarkar (Bombay Southern Division Non-Muhammadan Rural) Sir, if I rise at this stage in the discussion of the motion as it stands before the House, it is with the idea of inviting attention of the House to one or two factors which, to my mind, appear to be important in the consideration of the Bill Now, the Bill is a very short one and it is a very innocent looking one, but like a sharp edged sword, in its administration it can be used either well or ill In so far as I was able to follow the discussion that has proceeded till now, one of the ways in which this weapon could be used is to afford protection to nascent Indian industries Now, Sir, as it strikes me at the present moment, we are pasing through a very abnormal situation, the abnormality having arisen on account of the very serious after-effects of war The export and import restrictions that were imposed during the time of the war were, I think, imposed with a view to the assistance of the war effort Now, if we ultimately consent to a measure like this being placed on the Statute book, it will be with the idea of strengthening the economic measures that may be necessary for readjustment of national economics in view of the abnormal conditions that now exist And one of the abnormalities is the rising spiral of higher prices Now, it occurs to me that, judged from one point of view, an unnecessary imposition of a control on imports might, at first sight, seem as if it is a protection to Indian industries At the same time, I feel that if this import control were to be exercised in a manner not very proper, it might protect the Indian industries without helping the price situation in any manner I might take an illustration or two just to make myself clearer Take, for instance, paper. If we set down our foot on the import of larger quantities of paper, it might well

help the internal paper industry But with very great pain I happen to know that, taking advantage of the abnormal situation created on account of the war, some of those who are responsible for the production of the paper industry have largely exploited the situation at the cost of the consumers I also have reason to believe and on the authority of a very distinguished public worker, especially in the field of labour, Mr Khandubhai Desai of Ahmedabad, that producers of cloth in this country have greatly exploited the situation by taking to methods which have resulted in a very great exploitation of the consumer population of this country Now, Sir, when we consider a situation of that kind, one is tempted to feel whether, even at the cost of a little loss to our internal industries, it would not be really worth while to encourage imports of commodities which are produced in our country in order to ease the situation of the price levels in the country? Then, again on other grounds in order to ease the price levels in different directions,—take commodities like colour—we should consider whether it would not a very wise thing to give a large margin for the import of colour, a commodity which, for the time being, is not yet a great success in our country Now considered as a whole it all depends upon as to how you exercise import control It depends upon the wisdom or unwisdom of exercising control in respect of correcting the price level as it is at present

One of the things that disturbed me while listening to the observations of the Honourable Member in charge of the Bill was when he gave in support of this Bill a reason that certain number of war surpluses have to be liquidated and if we allow a little of relaxation in importing such articles as we have on hand, then it might, I fancy, according to his logic result in losses
5 P M. to Government I would not worry at all under the present circumstances of anything incurring loss to Government We are not merchants, we are not hoarding our stock If on account of greater imports, we suffer a little loss, let us make it up by legitimate taxation, by putting taxation on shoulders that can bear it Let us not encourage any measure that will strengthen the already dangerous inflationary tendency in prices Let us treat ourselves as on a level with all others that we see in the market, and let us not for one moment think of giving artificial price to the goods that we are holding with a view to preventing any loss In my humble opinion that would not be a very sound way either from the point of view of principle or from the point of view of expediency

Then again my definite suggestion would be that it would be well to have a double safeguard in respect of imposition of these controls One of them would be that in all matters connected with the initial supply of goods, we should liberalise our policy of importing as many goods of that kind of which we have no adequate supply in the country even though such a relaxation in our import control may perhaps mean that our own people will not amass that much of fortune which they might otherwise amass That would be one point Secondly in the manner of administering the control, one has to be very careful to see that we are supporting Indian interests and no other interests at the sacrifice of our interests I am told, I am speaking subject to correction that very recently an American firm which does the work of importing films from America —it is the case of one of those "(India) Limited" concerns which have come into this country,—this American film importing agency has been given preference over the heads of persons who have been doing such sort of business in this country at very great risk even from times before the war This American firm has been given preference to import films from America I would cite that as an instance I strongly urge that in granting import licences, this fact ought to be borne in mind that whatever advantage is to be given should be given to indigenous industry We should not go on creating new sources of exploitation at the hands of outsiders With these observations I content myself at the present moment

[Shri D P Karmarkar]

If the Honourable Member who moved the amendment for referring the Bill to the Select Committee would agree to it, I should like to suggest the addition of the name of one of the Honourable Members of the House connected with trade, and who in my opinion has devoted some good attention to this question, I refer to my Honourable friend to my left, Mr Vadilal Lallubhai, not because he is most proximate to me, but because I think his presence would be an advantage to the interest which is served by this Bill With these observations, I support the Motion for reference of the Bill to the Select Committee and move

"That the name of Mr Vadilal Lallubhai be added to the Select Committee"

Mr. Deputy President: Amendment moved

"That the name of Mr Vadilal Lallubhai be added to the Select Committee"

The motion was adopted

Shri Satya Narayan Sinha (Darbhanga *cum* Saran Non-Muhammadan) I move

"That the question be now put"

Mr. Deputy President: The question is

"That the question be now put"

The motion was adopted

The Honourable Mr. I. I Chundrigar: Sir, as the Bill is going to the Select Committee, I shall make only a few observations One of the points raised by Mr Lawson was that in section 183 of the Sea Customs Act of 1878, the Bill proposes to substitute the word 'may' for 'shall' He wanted to be assured as to what would be the effect of that amendment I think the effect of that amendment is perfectly plain The effect is that it is for the officer ordering confiscation of the goods to decide whether he should give the owner of the goods the option to pay in lieu of confiscation such fine as the officer thinks fit The option was, I may say, already there in an indirect form If the officer wanted that the goods should not be returned to the person concerned, he could impose a fine considerably in excess of the price of the goods confiscated He could then still give the person concerned, the option to have the goods confiscated or to pay a heavy fine, and keep the goods The power was already there in this indirect form The Government now desires to put it in a clear form They say naturally that everything should depend on the merits of the case If the offence committed is of a serious character the officer who adjudges the case might decide to confiscate the goods and not to give option to pay a fine On the other hand, if the case is of a less serious character, the officer may give the importer the option to pay a fine The other thing which the Honourable Member wanted to be cleared up was about sub section 3 Sub section 3 gives power to the Central Government, by order published in the official Gazette, to prohibit, restrict or impose conditions on the clearance, whether for home consumption or for shipment abroad, of any goods or class of goods imported into British India Now, Sir, Mr Lawson tried to make out that this provision was introduced during war because there was only limited storage accommodation available, and stores intended for shipment could not be easily stored at the ports You know very well that the shortage of storage accommodation is still there We desire that the storage accommodation we have should be available for goods meant for this country and that is why it is necessary to continue the powers under sub-section (3)

Another point which was made by Mr Lawson was that the Bill proposes to give what might be called blanket powers to the executive to pass any orders which they like regarding restrictions on imports and exports I never heard of a legislation of this character putting down everything in the statute book and not giving authority to the executive to pass such orders as may be required from time to time.

Probably Honourable Members may be aware that there are thousands of items on the import and export side, and no one would expect Government to come to this House every time they want to remove restrictions on the import or export of a particular article with an amending Bill If that is not to be done, the only way is to give powers to the executive to decide from time to time what changes are to be made, how far in view of changed conditions the restrictions on imports and exports could be modified and how that is to be done Therefore so far as powers for the executive are concerned, I think this is particularly a piece of legislation which cannot be useful without these powers being given I may also remind the Honourable Member that in his own country these powers are vested in the executive and we do not find the British Cabinet going to the House of Commons and the House of Lords to have every amendment passed That would make the Act entirely unworkable

The next point raised by him was that powers for controlling imports are being used indirectly—if I may say so—for protection of industry Now before a tariff inquiry is complete and before the Tariff Board makes a recommendation for the measure of protection to be given to a particular industry, certain orders may be passed under this Act prohibiting or restricting imports I want the House to realise what the position would be Supposing there is an industry in the country and it is found to have been a useful industry during the war and was even encouraged by Government, and that industry makes an application to Government for protection The inquiry for protection would naturally take some time and pending the inquiry there may be a threat of dumping from foreign countries which would completely paralyse this industry Is it the intention of the House that Government should have no powers in the interval to restrict imports until the report of the Tariff Board is complete, for the purpose of protecting this industry in the meanwhile? Therefore, as I say, occasions do arise when such powers have to be exercised, though I would agree with Mr Lawson that such powers should not be exercised every now and then without fully considering the effect of the restrictions on imports and without carefully considering the requirements of the consumers in the country and also of the industry to withstand competition But if after a full inquiry Government are satisfied that it is necessary to utilise these powers for the interim period I think it may be necessary to do so

Then Mr Lawson mentioned that now there is such a great shortage of goods all over the world that it is not a question of our country exercising the option as to what we are going to buy we have got to take what they can offer I think he must be aware that there are certain commodities which have actually been imported into India in very large quantities As an illustration I will mention the case of fountain-pens and of art silk Complaints have been received that when Government removed the restrictions on import of these articles, imports in excess of the country's requirements have taken place The question will arise whether the exchange which we are going to utilise for importing these commodities, which are no longer in short supply here—should it be utilised for importing other articles which may be more necessary from the point of view of Indian economy And that also is an aspect which will have to be considered by Government in dealing with this matter

That in brief is my reply to the points raised by Mr Lawson There is only one point raised by my Honourable friend Mr Karmarkar to which I shall give a short reply He took objection to my mention of the liquidation of war surpluses I want to remind him that I never mentioned—either directly or indirectly—the question of loss which Government may have to suffer by realising a lower price But supposing you find that you have large surplus of a particular commodity, should you utilise your exchange for the purpose of importing the same commodity? It would be merely for the purpose of avoiding unwanted goods coming into the country that these powers would be exercised

Sir, as the Bill is going to a Select Committee all these points will be fully considered there when it is under discussion

Mr. Deputy President: The original motion was—

"That the Bill to continue for a limited period powers to prohibit or control imports and exports be taken into consideration '

To this an amendment has been moved—

' That the Bill be referred to a Select Committee considering of Sri Venkatasubbha Reddiar, Mr Jhunjhunwala, Shri D P Karmarkar, Sjt. N V Gadgil, Rai Bahadur D M Bhattacharya, Hafiz Ghazanfarullah, Mr Nauman, Mr Killedar, Mr Leslie Gwilt, Mr Vadilal Lallubhai and the Mover, with instructions to report before the 15th March 1947 and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five "

The Honourable Mr I. I Chundrigar Sir, as I said, I would be prepared to accept reference to Select Committee if the date was sufficiently short If the Mover accepts the 5th March for submission of the report I will accept the motion

Mr C. P. Lawson: I am quite prepared to accept that if Government think they can get through the work of the Select Committee in that very short period I have already pointed out that the work of the Committee on this Bill will be or should be very considerable The Honourable Member may consider whether it is not better to leave the date as the 15th March because the report is to be submitted before that date, and I am quite certain that the report will be ready before that time

The Honourable Mr I. I Chundrigar: Sir, I am prepared to leave it at the 15th

Mr. Deputy President: The question is

That the Bill be referred to a Select Committee consisting of Sri Venkatasubba Reddiar, Mr B P Jhunjhunwala, Shri D P Karmarkar, Sjt N V Gadgil, Rai Bahadur D M Bhattacharya, Mr Hafiz M Ghazanfarullah, Mr Muhammad Nauman, Mr Mohammad M Killedar Mr Leslie Gwilt, Mr Vadilal Lallubhai and the Mover, with instructions to report before the 15th March, 1947 and that the number of members whose presence shall be necessary to constitute a meeeting of the Committee shall be five "

The motion was adopted

RESERVE BANK OF INDIA (AMENDMENT) BILL

The Honourable Mr. Liaquat Ali Khan (Finance Member) Sir, I beg to move

"That the Bill further to amend the Reserve Bank of India Act, 1934, be taken into consideration."

This is a very simple Bill of which the purpose has been clearly stated in the Statement of Objects and Reasons When the Reserve Bank of India Act was passed in 1934 Burma was a part of India, and in the constitution of the Bank due provision was made for a Burma share register and representation of the Burma share-holders in the Central Board of the Bank When Burma was separated in 1937 it was considered desirable that the Reserve Bank of India for a period of three years should continue to do the work of currency and coinage of both India and Burma Unfortunately the war intervened between then and 1940, when the three years expired, and therefore that arrangement continued Now the Burma Government have given notice that they want to have their own arrangement for currency and coinage from the 1st of April 1947, and consequently it has become necessary for us to make necessary amendments in the Reserve Bank of India Act

There is only just one thing which I might mention Though originally there was a Burma Register provided in the Act for the shareholders in that country, now what is proposed is that that should be closed and the post of

one Director that was allotted to Burma should be given to Madras which has only one Director on the Board of the Reserve Bank of India today, it is really a consequential amendment which we have to make in our law because of the decision that the Burma Government have taken to have a Board of their own for the purpose of currency and coinage But in view, however, of Burma's decision to use over-printed India notes and India coins till such time as that country is in a position to introduce her own, no financial adjustment of budgetary nature is necessary Later on we will have to make some adjustment between India and Burma with regard to this matter It is rather a complicated affair and when the time comes necessary adjustments will be made Sir, I move

Mr. Deputy President: Motion moved

"That the Bill further to amend the Reserve Bank of India Act, 1934, be taken into consideration"

Shri Sri Prakasa (Benares and Gorakhpur Divisions Non-Muhammadan Rural) I should like, if I may, the Finance Member to tell us if it is possible to adjourn consideration of this particular matter for some time The historical relations between Burma and India have been of a complicated nature

Mr. Deputy President: The Honourable Member has said that the Burma Government want to have their own currency from the 1st of April 1947

Shri Sri Prakasa: as well as of an intimate nature I am thinking of June 1948, when we expect the liquidation of the British Empire, and then I should like to know how Burma would like to stand in the scheme of things We all know, Sir, that when Burma was forcibly annexed by the British in the eighties there were loud protests, and if I am not mistaken the Indian National Congress which met that year resolved solemnly against this move on the part of Britain Then again when Burma was forcibly separated, we in India felt that that was a wrong move, because during this half a century close relations had been established between Burma and India But the British Government has always had their own way first in annexing that unfortunate country as a province of India, and then in separating it Now I feel that instead of acting under the Government of India 1935, which will disappear *ipso facto*, I take it, in June 1948, we ought to wait, and ask the Burmese Government not to precipitate matters, but to keep on those links with India at least that still exist, because I envisage a great deal of complication and even danger in the situation as it is bound to arise after June 1948

India will need the support, the co-operation and the friendship of many countries, and particularly countries that adjoin our borders I think that it may be possible then so to influence Burmese opinion that they may keep up their relations with us, and the relation of money is an important relation Though I am no lover of the Reserve Bank of India and though I would very much like it to cease its operations in India itself as it is seeking to cease its operations in Burma, and though I think that the establishment of the Reserve Bank of India has been a source of unmitigated disaster to us, still, as things are, I cannot help feeling that our Finance Member need not hurry up matters at all If the Burmese Government want to do something it is not incumbent upon us to follow in their wake and oblige them I do think that regard being had to the situation as it may develop in the immediate future, the Government of India should go slow and see to it that things do not become worse than they already are In any case we need not actively ourselves help other countries which can be connected with us to separate from us When there is such a vital necessity for most of us in the East to hold together

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa Muhammadan) They do not want to hold together

Shri Sri Prakasa: I do not know what authority my Honourable friend has to say that Burma does not want to be with us I am not quite sure that the plebiscite that was taken in Burma was an honest one

Mr. Muhammad Nauman: Burmese riot against Indians

Shri Sri Prakasa: We know how things were manipulated at that time In any case if Burma does not want to be with us, Burma can go out Why need we say 'you go out' If they want to use their own currency, let them use it, nobody can force them to import our currency They do not use our stamps for instance, they have their own stamps They have for all intents and purposes become a foreign country so far as postage rates are concerned In the matter of currency also they can go their own way

Sir, I do not pretent to understand the intricacies of finance and I am almost amazed at the celerity with which our Finance Member has started understanding all these complicated financial problems But I do think that he need not be in a hurry at all to separate Burma from himself, and if he can keep Burma united with our country with the help of his position as our Finance Member, I think he should

The Honourable Mr Liaquat Ali Khan Sir, I have full sympathy with my Honourable friend But I would just like to remind him that Burma today has got a similar type of representative Government as India has In Burma today those who are in charge of the affairs of that country are the representatives of the people of Burma and it is at the request of the Burma Government that they want to have their own arrangements from 1st April 1947

Shri Sri Prakasa: Why 1st of April particularly?

The Honourable Mr. Liaquat Ali Khan: I am very glad, Sir, that my Honourable friend should put to the Leader of the Burma Government I am not in a position to answer that except that the 1st April generally begins as the financial year in practically all countries where democratic parliamentary institutions are working

Shri Sri Prakasa: On that day all Parliaments are made fools of!

The Honourable Mr Liaquat Ali Khan I am very glad, Sir, that my honourable friend is a Member of Parliament!

I was only saying that from the 1st April the Reserve Bank will have no function to perform and therefore we thought that it was necessary that those clauses which referred to Burma should be amended I assure him that it is not my desire to push Burma out of any friendly relationship that it may have with India But you cannot keep people by means of force to be your friends In spite of the severance of connection in regard to currency and coinage, I have no doubt that our friendship with Burma will remain as strong as it has always been

Sjt. N. V. Gadgil (Bombay Central Division Non-Muhammadan): What if it ceases?

Mr Deputy President: The question is

"That the Bill further to amend the Reserve Bank of India Act, 1934, be taken into consideration."

The motion was adopted

Clauses 2 to 27 were added to the Bill

Clause 1 was added to the Bill

The Title and the Preamble were added to the Bill

The Honourable Mr. Liaquat Ali Khan: Sir, I move

"That the Bill be passed"

Mr. Deputy President: The question is

"That the Bill be passed"

The motion was adopted.

The Honourable Dr. John Matthai (Member for Railways and Transport): Sir, I move

"That the Bill to confer for a limited period special powers for regulating the transport of goods on railways, as reported by the Select Committee, be taken into consideration"

There are two kinds of alterations which have been made by the Select Committee in the Bill which I presented to the House The first relates to minor alterations in the Schedule, including a few additional articles and amplifying certain terms used in it But the main change which has been made by the Select Committee is the introduction of a new section—Section 6, which reads

"The Central Government may from time to time by notification in the official Gazette amend the Schedule so as to include therein goods of other descriptions or exclude therefrom goods of any description or vary in respect of any description of goods the conditions set out in the third column of the Schedule, and thereupon the Schedule shall have effect as if it had been so enacted"

The point of this section is that since the Schedule was published a large number of representations have come pouring in suggesting various additional articles to be included in the Schedule We felt that rather than accept these applications, probably the most convenient course would be to vest in the Central Government authority either by general or special order to include other articles which require priority With the addition of this section the position practically is this The present machinery will more or less continue to function on the existing basis The present organisation which consists of five Regional Controllers and a Central Controller at the Headquarters of Government would continue for the time being and also in regard to the granting of priority the system followed now will more or less continue If transport conditions improve within the next few months, then the Bill would provide a measure of flexibility so that the organisation can be curtailed when the need for control dwindles or ceases Two or three amendments I think have been proposed today of which I have received notices I would ask the Honourable Members concerned not to press them because it is in order to meet amendments of this kind that we have introduced this new section When the Select Committee met a fortnight ago they had a very large number of such amendments and they were withdrawn on the undertaking that a provision of this kind would be introduced into the section That is all I wish to say at this stage

I move that the Bill be taken into consideration

Mr Deputy President: Motion moved

"That the Bill to confer for a limited period special powers for regulating the transport of goods on railways, as reported by the Select Committee, be taken into consideration"

Mr. M A. F Hirtzel (Bengal European) There is only one question which I would like to ask the Honourable Member I understood him to say that the present system would continue in force "more or less" I understand him to mean by that that the machinery as such will remain in force for the time being and as long as it is necessary His qualification of "more or less" relates to the types of traffic which will receive priority which will possibly be affected by the Schedule But I was not quite clear as to what the Honourable Member's qualification 'more or less" implied whether it implied anything substantial or not

The Honourable Dr. John Matthai: What would happen is this If there are any articles in respect of which priority is required and a representation is received by the Central Government regarding them, the Central Government, if the circumstances justified, would grant priority and then it is conceivable that you might reach a position where the system of priorities might approximate to the present arrangement

Mr. Deputy President: The question is

'That the Bill to confer for a limited period special powers for regulating the transport of goods on railways, as reported by the Select Committee, be taken into consideration"

The motion was adopted

Mr. Vadilal Lallubhai (Ahmedabad Millowners' Association Indian Commerce) I have an amendment each for Clause 2 and the Schedule

Mr. Deputy President. Let me see if the Honourable Member in charge has any objection

The Honourable Dr. John Matthai. I received it only a little while ago I cannot accept it

Mr. Deputy President. The Honourable Member has objections I am afraid it cannot be moved

Mr Vadilal Lallubhai I hope you will give me a chance of saying a word If the word maize is not added it goes out of the Schedule for grain I think it ought to be included

Mr. P. J. Griffiths (Assam European) The omission may be very unfortunate But we have had no notice of it

Mr. Deputy President: The notice has come late and it is not for the Chair to allow it if objection is taken It is provided in the Standing Orders that such objection shall prevail Therefore there is no option to the Chair

The question is

That clauses 2 to 6 do stand part of the Bill'

The motion was adopted

Clauses 2 to 6 were added to the Bill

Mr. Deputy President: The question is

'That the Schedule stand part of the Bill"

The motion was adopted

The Schedule was added to the Bill

Clause 1 was added to the Bill

The Title and the Preamble were added to the Bill

The Honourable Dr. John Matthai: Sir, I move

That the Bill, as amended, be passed"

Mr Deputy President: Motion moved

That the Bill, as amended, be passed"

Mr Vadilal Lallubhai. Sir, at the stage of the third reading of the Bill I would draw the attention of the House to the fact that we have defined the Indian words such as *bajra*, *jowar*, *etc*, but we have failed to provide for the transport of maize which is an important foodstuff and a grain I think if this House does not rectify this mistake, the Bill will not be complete Therefore I would wish that we unanimously agree to add the word 'maize' in the definition of grain

Mr. Deputy President: I am afraid it is not a consequential amendment A consequential amendment means that something has been left out, which after the amendments it is necessary to add or delete What the Honourable Member is suggesting is a substantial amendment and not a consequential one and I am afraid it cannot be allowed at this stage

Mr. Vadilal Lallubhai: Sir, I would like to know what is going to happen to the transport of maize

The Honourable Dr. John Matthai: It is possible by taking action under Section 6, to meet the Honourable Member's point

Mr. Deputy President: The question is

"That the Bill, as amended, be passed"

The motion was adopted

TRADING WITH THE ENEMY (CONTINUANCE OF EMERGENCY PROVISIONS) BILL

The Honourable Mr. I. I. Chundrigar: (Commerce Member) Sir, I beg to move.

"That the Bill to provide for the continuance of certain provisions of the Defence of India Rules relating to the control of trading with the enemy and enemy firms and the custody of enemy property, be taken into consideration"

The object of the Bill is fully explained in the statement of objects and reasons and it is necessary for Government to retain these powers for sometime more for the purpose of regulating our relations with ex-enemy countries The Bill also relates to the properties of these powers and their nationals in British India.

Mr. Deputy President: Motion moved

"That the Bill to provide for the continuance of certain provisions of the Defence of India Rules relating to the control of trading with the enemy and enemy firms and the custody of enemy property, be taken into consideration"

Shri Sri Prakasa (Benares and Gorakhpur Divisions Non-Muhammadan Rural) Sir, could the Honourable Member tell us who are his enemies? This particular Bill was not circulated to us We did not expect that this Bill would be reached today I am rather interested in knowing who my enemies are, because I have no enemies, and it was definitely declared when England declared war in 1939, that India has no enemies and that India had no part or lot in that war Now simply because an Interim Government is in power, to recognise all England's enemies as our enemies and all England's friends as our friends would be to wipe out of history the events of the last six or seven years So long we were in the condition of the French serf of mediaeval times, who had to put his hands on the hands of his feudal lord and say "Your enemy shall be my enemy and your friend shall be my friend" We in India have always been objecting to that status, and now that that status is definitely changing, at this stage for our Government to declare to the various countries in the world that we regard them as our enemies, is I think not only most improper but positively dangerous I do not think it would be right for this House today to implement all that the last Government had done I definitely think it would be dangerous We today, Sir, are in a position to declare that we have no enemies, that India, as such, was not at war with any country

It was the representatives of those very parties sitting in power today who made these declarations, and solemn declarations they were For the representatives of those parties, as members of the present Government to come out and say that they recognise England's enemies in the last war as their enemies also would, I submit, be a risky thing, and I enter my protest against this procedure, because of two considerations At that time we were under, what we regarded, a foreign bureaucracy, and we felt that we were being forced to join a war officially, with which we had really nothing to do If the Honourable Member is serious about continuing certain provisions of the so-called Defence of India Rules and if he really thinks that that would be in the best interests of the country, I should certainly request him most earnestly not to use this word 'enemy" He may use any other word To use this particular word would be fatal You can use the words 'foreign countries" I wish I had that Bill before me and I would certainly have made suggestions, but I fear that it may be too late if I move any amendments now I might be ruled out of order, as I did not give notice in time. The Honourable Member has only to say that he objects to them and you will be, under the Standing Orders, as you yourself said just now, compelled to ask me to sit down Therefore I would suggest to him in all humility that he should not regard any peoples in the world as our enemies

[Shri Sri Prakasa]

I say this also because I think we are in for a very delicate and dangerous times and that brings me to my second point I am not looking forward to the declaration that has been recently made on behalf of His Majesty's Government in any lighthearted manner I regard it full of meaning and full of import Unless we recognise the responsibilities of complete freedom that are coming upon us we might be in for trouble We shall need all the help we can get from other countries in the difficult days that lie ahead We can continue to regard them as our enemies only at our peril I do think that my words will not be lost and that though two important Members of the Government, the Commerce and Supply Members, are in close converse with their whip at the moment and although they do not seem to be listening to me at all, still I hope that they will realize the importance and the implication of what they are doing and listen to my advice before it is too late

The Honourable Mr. I. I. Chundrigar: Sir, I might explain to my Honourable friend that by using the word 'enemy' we do not mean to convey that we are at war with anybody or that we desire to be at war with anybody Rightly or wrongly there was a word war'

Sjt. N. V. Gadgil (Bombay Central Division Non-Muhammadan Rural) Very much wrongly

The Honourable Mr. I. I. Chundrigar: Naturally And in that war countries were ranged on one side or the other Properties of some nationals of ex-enemy countries were in India while our nationals also had properties and assets in ex-enemy countries There has been destruction on both sides Relations with these ex-enemy countries have got to be regulated, and it is only for this purpose that action is being taken

Another point to be kept in view is that we cannot deal directly with certain countries because they are under military occupation We cannot overlook actual position in those countries Therefore some sort of legislation is necessary I can assure my friend that by using the word 'enemy' there is not the slightest intention of having inimical feelings towards them or waging any war on them

Shri Sri Prakasa: Can we not use another word and avoid this word at this stage?

The Honourable Mr. I. I. Chundrigar: We are continuing certain provisions of the Defence of India Act and Rules and also of the Emergency Powers (Continuance) Ordinance of 1946 It would require a change of all these rules and regulations

Mr Vadilal Lallubhai (Ahmedabad Millowners' Association Indian Commerce) We have not had enough time to consider this Bill

Mr Deputy President: I do not know whether the Honourable Member was present in the House when the Honourable the President informed the House that certain Bills could not be printed and circulated and only a few copies were obtained by cyclostyling They were placed in the Notice Office and he asked Honourable Members who desire to have copies to take them from there The Honourable Members who had any interest got the copies and studied the Bill This was also laid on the table from the morning It was available

An Honourable Member: It was given at 4 O'clock.

Mr Deputy President: The President had announced that the copies were available and if any member wanted he could take it Now, the Honourable Member has spoken and the debate is finished.

Mr. Vadilal Lallubhai: If the Honourable Member agrees we can continue the discussion on the next day

Shri D. P. Karmarkar (Bombay Southern Division Non-Muhammadan Rural) Without disturbing anything I would suggest very respectfully that in the definition it may be said that 'enemy' so far as the purpose of the Act is concerned shall mean the enemy of British imperialism

Capt. G. T. B. Harvey (Madras European) Would not most susceptibilities be protected if the inverted commas which surround the word 'enemy' in the 'Objects and Reasons' were inserted where the word occurs in the body of the Bill?

Shri Sri Prakasa: The Honourable Member suggests inverted commas But that will not invert the meaning

(Babu Ram Narayan Singh rose in his seat)

Mr. Deputy President: It is not the procedure that one member may speak and then the Honourable Member may reply to him and then other members may speak and the Honourable Member should reply If anybody had got up I would have certainly allowed him to speak But nobody got up Then I asked the Honourable Mr Chundrigar to reply That means it is finished The Chair is helpless when the Honourable Members do not get up in their seats I am afraid it will be a very bad precedent

Shri Sri Prakasa: Sir, if you will please continue to give your ruling for another four minutes, we shall be satisfied

Mr. Deputy President: The question is

"That the Bill to provide for the continuance of certain provisions of the Defence of India Rules relating to the control of trading with the enemy and enemy firms and the custody of enemy property, be taken into consideration"

The motion was adopted

Clauses 2 and 6 were added to the Bill

The Schedule was added to the Bill

Mr. Deputy President: Clause 1

Shri Sri Prakasa: Sir, the sting they say is in the tail in many instances. The sting here is in the Preamble

Mr. Deputy President: But I am putting clause 1

Shri Sri Prakasa: Then I will speak on that I should like to draw the attention of the Honourable the Commerce Member to the wording of clause 1 In sub-clause (1) it is said "This Act may be called the Trading with the Enemy (Continuance of Emergency Provisions) Act, 1947" I am very glad that the Honourable Member has assured the House that he has no inimical feelings towards any one From the exceedingly friendly and hospitable nature of his own with which I am more than familiar I can assure him that he too has no enemy But when he told us that the word 'enemy' is used because that word has been used in the Defence of India Act, some of the provisions of which are being continued, I should respectfully like to point out to him that this is in the nature of a fresh enactment and that it is not at all essential that the word 'enemy' should be continued in this simply because it has been used in the Act which he seeks to continue with the help of this new Bill. I should therefore repuest him to sleep over the matter tonight

Mr. Deputy President: Does the Honourable Member want to go on?

Shri Sri Prakasa: As you are bound to adjourn the House in another half a minute, Sir, I have sufficient capacity to continue for that half minute. Are you adjourning the House, Sir

Mr. Deputy President: Yes.

Shri Sri Prakasa: Then I will continue on the next day.

Mr. Deputy President: The House now stands adjourned I would like to remind Honourable Members that the House will meet at 5 O'clock in the afternoon tomorrow It is not meeting in the morning

The Assembly then adjourned till Five of the Clock in the Evening on **Friday, the 28th** February, 1947

LEGISLATIVE ASSEMBLY

Friday, 28 February, 1947

The Assembly met in the Assembly Chamber of the Council House at Five of the Clock in the Evening, Mr President (The Honourable Mr G V Mavalankar) in the Chair

THE BUDGET FOR 1947-48

The Honourable Mr Liaquat Ali Khan (Finance Member) Sir, it is my privilege to place before this House the first Budget to be presented by an Indian Finance Member I am deeply conscious of the importance of the task that has fallen to me and it will be my endeavour so long as I hold this portfolio to promote in every way I can the economic prosperity and well-being of this sub continent and of all sections of its population It will be my particular endeavour to reduce, to the maximum extent possible, the glaring disparities that exist to-day between the income and standards of life of the wealthy classes and the vast multitude of poverty-stricken masses, and to contribute to the best of my ability to the improvement of the lot of the common man In tackling those tasks, which have so far received inadequate attention, and which require all the time and effort that we are able to devote to them, I hope as a matter of fact, I am confident, I shall have the support of all sections of this House and of the public outside

2 I do not propose to dwell at any length on the developments in this country or outside in the interval since my predecessor presented his budget to this House Although it is over eighteen months since the end of hostilities and statesmen in all countries have striven unceasingly for peace, the prospect of a just and lasting settlement seems as far away as ever while the rehabilitation of countries devastated by the war is proceeding with painful slowness In our own country, as in other countries, the year that is closing has been a difficult year of transition I need not dilate on the changes in the political field, as the events leading to the visit of the Cabinet Mission and the establishment of an Interim Government at the Centre composed of the representatives of the two major political parties and the minorities and the Statement of His Majesty's Government of the 20th of February must be fresh in the minds of Honourable Members These are momentous developments, especially the recent statement by His Majesty's Government declaring their intention to transfer complete power to the peoples of India not later than June 1948 It is yet too early to envisage clearly all the changes foreshadowed by the statement, but this much is certain that the responsibility for shaping the future now rests entirely in our own hands And while we may well feel elated at the prospect of the freedom that awaits us we must not forget the heavy responsibility that lies on our shoulders to ensure that the transference of power from British to Indian hands is effected peacefully and that the freedom that is achieved is true freedom for all the peoples of this vast sub-continent

In the economic sphere, the progress in the return to peace time conditions has not been as rapid or as smooth as could have been wished Although the deflationary tendencies, which at one time were expected to manifest themselves soon after the end of the war, have happily not materialised, the transition to peacetime economy has been slow and halting

[Mr Liaquat Ali Khan]

Inflationary trends have continued to persist and prices are still running high The war-time shortage of consumer goods has not yet been materially alleviated, in spite of a large expansion of imports, as internal production has been unable to fill in the gap between the huge pent-up demand left over from the war years and the available supplies Production has been hampered by the inevitable delay in obtaining capital goods in a world clamouring for them after the widespread devastation of war, by labour unrest and strikes in the country, by persistent difficulties in the rehabilitation of the transport system and by the terrible and tragic happenings in certain parts of the country which have not only marred the fair name of India but brought untold hardship and misery to large sections of the population In addition to all these difficulties, in themselves formidable enough, there has been the continuous anxiety about the food position in the country whose normal shortage had been immensely aggravated by the failure of the rains in South India and parts of the North and the consequent threat of famine We have fortunately staved off disaster thanks to the generous, but still inadequate, imports of foodgrains from overseas and the stringent rationing over wide areas of the country, but the position still continues to cause grave anxiety and cannot but have a hampering effect on the recovery of the country

Without a measure of assurance about the shape of the future constitution, it is not easy to formulate any long term economic or financial plan and the House will appreciate the difficulty in which anyone in my position is placed in the circumstances In view of the latest announcement of His Majesty's Government the coming year is bound to be full of intense political activity, and what will occupy men's minds most will be the prospective constitutional changes But it does not follow that we should merely mark time till the constitutional issue is settled Without in any way prejudging or prejudicing that issue, we can, and have to, go forward in tackling the urgent economic problems of this sub-continent and in raising the living standards of its peoples The present inflationary trends have to be kept in check and provision made for maintaining the level of employment and production when deflationary trends manifest themselves as they are almost bound to sooner or later Production has to be fostered and developed, the cost of living has to be reduced and, within the available resources, plans for the social and economic betterment of the people at large have to be implemented In short, poverty has to be attacked on every front I shall do all that lies in my power to assist in tackling these problems

Before I go on to deal with the estimates I must express my regret to the House that it has not been possible to present this Budget in the usual detail The reason is that Machinemen and Lino operators in the New Delhi Government Press have been on strike during the period crucial for the printing of the Budget documents and we have had to restrict our demand for printed matter to a minimum in consequence I would like to mention that the Government Presses have been on strike intermittently since March 1946 in spite of ever increasing concessions covering shorter hours of work, reduced standard of work measurement, more holidays, increased rates of Dearness Allowance, improved pensionary benefits and interim financial relief, the last of these being still further increased in January 1947 to cover the period from the 1st January 1945 to the 31st December 1946 at the monthly rate of Rs 8 to industrial workers in the Presses on

basic pay below Rs 40 a month In spite of this exceptionally generous treatment, the Press employees again struck work early this month with resultant dislocation at a particularly critical period for the Government and the Legislature The strike terminated only on the 24th of this month.

FINANCIAL YEAR, 1946-47

Revenue

3 I shall now proceed to a brief review of the financial position in the current and the ensuing years

The revenue receipts for the current year are now estimated at Rs 336 19 crores an improvement of Rs 29 66 crores over the budget

Customs receipts are expected to improve by Rs 23 02 crores partly as the result of larger imports made possible by a general easing of the supply and shipping position and partly to the imposition of export duties on cotton and tea and the enhancement of the export duty on jute Under Central Excises, however, we now expect to realise only Rs 42 78 crores against Rs 44 32 crores taken in the budget Under Income-tax we anticipated a total yield of Rs 149 25 crores, Rs 75 crores on account of E P T and Rs 74 25 crores on account of ordinary collections We now estimate that the collections will amount to Rs 72 crores on account of E P T and Rs 85 crores on account of ordinary collections The divisible pool of income-tax is now estimated at Rs 69 81 crores and the Provincial share, after adjusting an overpayment of Rs 1 28 crores last year at Rs 29 87 crores

The revenue from the Posts and Telegraphs Department was placed at Rs 31 15 crores, an improvement of Rs 57 lakhs over the budget But working expenses will be Rs 4 crores more owing to the grant of interim concessions to the staff following the strike last summer and the award of the adjudicator appointed to enquire into their dispute with Government In the result the net surplus is expected to be Rs 4 78 crores against Rs 8 33 crores estimated in the budget

The Railway contribution is now taken at Rs 5 64 crores against Rs 7 36 crores taken in the budget

Expenditure

4 *Defence Services* —Following the practice introduced by my predecessor last year, I shall confine my remarks on the Defence Services to matters of policy or major financial interest, referring the House to the Explanatory Memorandum for fuller information regarding the activities of those services

5 The original programme of general demobilisation which started in October 1945 has been largely adhered to but some retardation was necessary in the latter part of 1946 owing to internal disturbances in the country. Nevertheless the process of releasing personnel from the Services under that programme will be nearing completion by the beginning of the budgetary year and it is anticipated that the provisional demobilisation target will be reached by about the middle of that year On the 31st December 1946, the total numbers released since the commencement of demobilisation were army 1,187,000, navy 20,000 and air force 18,000. This, in the difficult conditions obtaining during the year, represents a notable achievement

[Mr Liaquat Ali Khan]

6 One event of considerable general interest which may eventually lead to some reduction in our defence budget is the setting up during the year of the Armed Forces Nationalisation Committee under the chairmanship of the Hon'ble Sir N Gopalaswami Ayyangar, which, as its title implies, is to enquire into ways and means of speeding up the replacement of non-Indian personnel by Indians throughout the Defence Services Considerable progress has already been made towards this goal, and it is hoped that the deliberations of this Committee will result in its early attainment

7 The budget estimate for the Defence Services for 1946-47 was Rs. 245 34 crores and the revised estimate is Rs 240 11 crores The decrease is due mainly to the receipts accruing to India from the sale proceeds of American surplus stores as a result of the Washington Lend-Lease Agreement to which I refer elsewhere in this speech, and to an overestimate in the budget of India's liability for stores These factors were offset to some extent by heavier expenditure caused by the retardation of the rate of general demobilisation already mentioned, and heavy arrear payments on account of Reciprocal Aid to the U S A , chiefly relating to the supply of raw materials and compensation for damage to tea gardens requisitioned for the U S A forces

8 *Civil Estimates* —The revised estimate of civil expenditure is Rs 143 36 crores, an increase of Rs 32 35 crores over the budget

The reasons for the variations under individual heads resulting in this net increase are given in the Explanatory Memorandum accompanying the Budget Statement and I propose to mention here only the more important factors leading to this increase The subsidising of imported foodgrains supplied to Provinces and Centrally administered areas to avoid disturbance to our internal price structure, which was decided upon after the budget was framed, is expected to cost Rs 20 crores The interim concessions sanctioned during the year to the low paid staff on account of the cost of living are estimated to cost Rs 2 crores There is a special provision of Rs 3 crores under Civil Works for the clearance of outstanding liabilities for supplies Expenditure on the Tribal Areas is expected to show an increase of about Rs 1½ crores mainly due to additional expenditure on works, the expansion of certain levies and the embodiment of fresh levies as part of the scheme for the gradual replacement of the regular Army in Frontier Defence by Civil Armed Forces A payment of Rs 2½ crores has also been made during the year to the Government of Nepal in commutation of part of the annual present to that country for war services, to be utilised on development schemes such as hydro-electric projects of mutual benefit to both India and Nepal Owing to additional expenditure on disposals and the slowing down of the pace of its contraction, the expenditure on the Department of Industries and Supplies is expected to be about a crore more than the original estimate . These special items account for nearly Rs 30 crores of the net increase over the budget estimate The balance is accounted for by increases spread over a number of heads mostly on the expansion of departments, purchases of additional stores and so on The excess would have been somewhat larger but for the saving of Rs 4 crores in the provision for resettlement due to the slowing down of demobilisation and the time taken for the formulation of the necessary plans

9. *To summarise the position* —The current year's budget provided for a revenue of Rs 306 53 crores and expenditure charged to revenue

of Rs. 354 78 crores leaving a deficit of Rs 48 25 crores Revenue receipts are now estimated at Rs 336 19 crores and expenditure charged to revenue at Rs. 381 47 crores leaving a deficit of Rs 45 28 crores

10 Before I go on to deal with the estimates for the coming year, I should like to advert briefly to one or two important points affecting Central expenditure in which the House will be interested

11 The sudden cessation of hostilities in the East created two major problems which had to be given immediate consideration, *viz* ,

(*a*) the cancellation of the pending demands for warlike stores, and

(*b*) the transition of industry from war to civil production

The expeditious reduction of the outstanding demands was necessary not only to prevent the accumulation of unnecessary stocks and to limit Government's financial liabilities to the minimum but also to release India's limited resources of productive capacity and essential raw materials for civil production Two committees have, accordingly, been set up to finalise the reduction of demands before the end of the financial year and satisfactory progress has already been achieved Cancellations of contracts to the value of Rs 50 crores have been effected to the end of December for the payment of compensation of only Rs 34 lakhs

A Development wing has also been set up in the reconstituted Department for Industries and Supplies with the immediate task of assisting reconversion of industry from war to civil production by according necessary priorities, transport and other production facilities

In the course of the year, a Technical Mission was brought out from the U K to advise the Government of India on the establishment of aircraft manufacture in this country In accordance with their advice, the Hindustan Aircraft Factory at Bangalore is being reorganised to undertake the manufacture of aircraft as well as railway coaches

Disposals

12 The House will remember that mention was made in the Budget Speech last year about the deputation of two senior officers to America to settle the financial issues arising out of Lend-Lease and Reciprocal Aid and the transfer to the Government of India of the stocks and installations accumulated by the United States authorities in India during the war and now surplus to them A delegation went to Washington for this purpose last April and a satisfactory settlement has been reached with the United States Government Under this agreement, all outstanding claims arising out of Lend-Lease, Reciprocal Aid, United States owned surpluses and all other claims arising out of the war have been cancelled subject to the condition that if the sale proceeds of United States owned surpluses, after deduction of customs duty, exceed the equivalent of 50 million dollars (equal to Rs 16 7 crores) half the excess proceeds should be paid to the United States authorities in rupees to be spent by them in India only on the acquisition and improvement of real property the financing of agreed schemes of cultural and educational interest to the two countries and, if any balance is left, for defraying the governmental expenses of the United States in this country Vigorous steps have been taken to feed the surpluses so acquired into the main stream of distribution The total sale proceeds of the surpluses are likely to exceed 50 million dollars

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In addition to these American surpluses, considerable quantities of stocks held by the defence authorities have become surplus to the requirements of the armed forces as a result of the end of the war and subsequent demobilization It is fully realised that the expeditious disposal of all these surpluses is not only in the financial interests of Government but also of the utmost importance to the economy of the country, and every effort is being made to ensure that no avoidable delays occur in dealing with them

13 A problem similar to that of the disposal of surplus stores has also arisen in the case of the Ordnance and other factories set up during the war to meet the demands by Defence Services for Ordnance and other stores Thirty-six such factories were established and the retention of many of them has been found to be unnecessary with reference to India's post-war requirements An expert Committee was, therefore, set up to report on the future of these factories In accordance with the recommendations of this Committee it has been decided to retain and regroup 15 factories as the peace time Ordnance establishment and to dispose of 21 factories, mainly Clothing, Harness and Saddlery Factories, as an integral part of our policy to divert capacity from war to peace production Again, as the peacetime load of Ordnance stores on the factories earmarked for retention is negligible, it has also been decided that the spare capacity of these factories should be utilised for civilian production This production will be supplementary to the production of the established industries and is intended merely to narrow the gap between supply and demand as a temporary measure The most important item which is now being produced in the Ordnance Factories is Road Rollers There is also a proposal to produce textile machinery and steel billets

Miscellaneous matters

14 With the gradual return to peace-time economy it has been found possible to dispense with a large number of controls introduced in the war years With effect from the 1st October 1946, the majority of these controls have been withdrawn retaining (apart from certain essential general controls such as those over imports, exports and foreign exchange) only those on commodities such as coal, textiles, iron and steel which are essential for the rehabilitation of the country's economy

An expert committee called the Indian Coal-fields Committee was set up during the year to study the problems of the conservation of the coal resources of the country and the rationalisation of coal production The committee has made far-reaching recommendations on the conservation, production transport and utilisation of coal and on connected problems of administration and its report is under consideration Meanwhile, I am sure the House will be reassured to learn that in the view of this expert committee coal will not prove a handicap in the industrial planning of the country

The Department of Planning & Development was abolished during the year and its functions were transferred partly to the Department of Industries and Supplies and partly to the Co-ordination Committee of the Cabinet, under which a Development Board was set up to consider and co-ordinate the post-war plans for development The Department of Labour had grown too unwieldy, particularly in view of the growing

importance of the problems connected with labour and labour welfare, and has been split up into two separate departments of Labour and Works, Mines and Power

The decision to appoint a Central Pay Commission to enquire into the conditions of service of Central Government servants with particular reference to the adequacy of the pay scales and standards of remuneration was announced last February The Commission was appointed on the 10th May 1946 under the chairmanship of Sir S Varadachariar, retired Judge of the Federal Court It has nearly completed its task and steps have been taken to deal with its recommendations as expeditiously as possible As the House is aware, an assurance has already been given that any changes in the rates of pay following the decisions on the Commission's recommendations will be given effect to from the 1st January 1947

The allowances sanctioned on account of the cost of living to the lower paid staff were reviewed last summer and it was decided to sanction certain further concessions by way of interim relief The cost of those concessions falling on civil revenues excluding Railways and Posts & Telegraphs is estimated at Rs 2 crores

I would like now to mention a recent decision of considerable importance, namely, the setting up of a Commodities Prices Board under the Finance Department Hon'ble Members are well aware that a sound price structure is of critical importance to the economic health of the country especially during the period of transition following on the economic upsets created by a total war Concrete issues arise from time to time on which differing views are advanced not only as between the Provincial and Central Governments, the producers and the consumers but also as between the various departments of the Central Government itself It is for these reasons that it was decided to set up an expert and full-time body to assist and advise Government in the formulation and administration of an appropriate and consistent price policy Hon'ble Members will be glad to learn that the Board has now been constituted and is ready to embark on the onerous and important task that has been entrusted to it

6 P M

FINANCIAL YEAR, 1947-48

Revenue

15 I now turn to the financial year 1947-48 On the existing basis of taxation, the total revenue for the year is estimated at Rs 279 42 crores compared with Rs 336 19 crores for the current year

Customs receipts have been placed at Rs 89 crores, Rs 1½ crores more than the revised estimate for the current year The estimate allows for a full year's revenue from the additional duties imposed this year Under Central Excise Duties the revenue is estimated at Rs 40 93 crores but the drop as compared with the current year is mainly in respect of certain special cesses which are funded

Income-tax receipts have been placed at a total of Rs 135 crores which includes Rs 40 crores on account of arrears of E P T and Rs 7 crores on account of arrears of Central Surcharge The total divisible pool is estimated at Rs 76 33 crores and the Provincial share at Rs. 35 16 crores

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The revenue of the Posts & Telegraphs Department is expected to be Rs 30 2 crores and the working expenses and interest Rs 25 98 crores leaving a net surplus of Rs 4 22 crores As in the current year, the outright contribution of the department to general revenue will be three-fourth of the realised surplus the department retaining the balance. The accumulated surplus of the department at the end of the current year is expected to be Rs 8½ crores and it is proposed to give it a rebate of interest on this amount instead of on only Rs 1 crore as hitherto

As regards the contribution from the Railways we are providing for Rs 7 5 crores The House is already aware of this estimate from the Railway Budget.

Expenditure

16 *Defence Services* —Although the general demobilisation of the Armed Forces and the shutting down of the war-time activities of the Defence Services will by the end of 1946-47 have brought us a very long way on the road towards the restoration of a peace regime in this country the conditions likely to obtain during the year 1947-48 will, in some respects, be far from normal On the Army side roughly 200,000 men will still remain to be released before the provisional demobilisation target has been reached This target was prescribed mainly for planning purposes in order to ensure that the gigantic task of demobilising something like 1¾ million members of the Armed Forces was put through in an efficient and orderly fashion, and does not necessarily correspond to the final post-war Defence Forces to be maintained in this country The problem of the strength and composition of India's post-war Army, Navy and Air Force, raises numerous considerations of high policy which are at present engaging our earnest attention Not the least of these questions is the amount of money that India can and should spare for her Defence Budget having regard to the pressing demands on her resources for social and economic development Another important policy matter that arises in this connection is the extent to which British personnel should continue to be employed in and with India's Armed Forces The recruitment of British Officers into the Indian Army which ceased on the outbreak of the second World War will not be resumed, and pending the complete nationalisation of that Army British Service officers will be seconded thereto for short terms of service only

17 A major disturbing factor that will certainly persist throughout the year 1947-48 is that resulting from the existence of abnormally large stocks either held for the future requirements of the Defence Services or thrown up as surplus for disposal The existence of these stocks necessitates the retention in the Defence Service of a considerable number of personnel who could otherwise be dispensed with, but it is hoped that many of these personnel will be released during the year as the disposal of surpluses progresses

18 The Financial Settlement between the Government of India and His Majesty's Government relating to the allocation of Defence expenditure between the two Governments comes to an end on the 31st March, 1947, and for the year 1947-48 normal accounting methods will be reintroduced as far as possible Under the provisions of the Financial Settlement practically the whole of the Defence expenditure incurred by India was charged in the first instance to His Majesty s Government, India subsequently giving credit to that Government for the cost of

equipping and maintaining troops and other war-time activities undertaken by her for local defence purposes With effect from the 1st April 1947 all Defence expenditure incurred by India will be charged direct to her Defence Estimates as was done before the War, but appropriate recoveries will be effected from His Majesty's Government in respect of the cost of Indian troops employed outside India and for any other supplies and services rendered to that Government

19 For a great number of years India s Defence Budget has included provision for what are termed Home Effective charges, representing the amount due annually to His Majesty's Government on account of expenditure incurred by that Government on recruiting, equipping and training British Service personnel for service in India The amount of this liability was calculated actuarially when the strength of the British troops in India was practically constant, but under the conditions now obtaining, with a much reduced and rapidly dwindling British element in the Defence Forces of India, the calculation of this liability presents very great difficulties India on her side has a counter claim (which in existing circumstances is substantial) for similar charges in respect of the Indian Army personnel employed by His Majesty s Government overseas and the amount of this counter-claim too would at present be difficult to determine with any exactitude A further difficulty arises in respect of the mutual liabilities of the two Government towards each other in respect of non-effective charges As the House is aware, agreement concerning these liabilities was entered into by India with His Majesty's Government during the war but this agreement terminates concurrently with the main Financial Settlement and it is necessary to provide for something to take its place in respect of the liabilities for non-effective charges arising during the year 1947-48 A very rough assessment of the above mentioned claims and counter-claims indicated a substantial net charge to India but against this could be set the fact that His Majesty's Government make an annual payment (£2,000 000) to the Government of India in accordance with the award of the Garran Tribunal towards the cost of maintaining British troops in India The problem of how all these liabilities should be assessed in the changed situation with which we are now faced has formed the subject of discussion with His Majesty's Government and after a broad examination of the financial implications involved and in view of the pressing need for simplification of accounting work, it has been agreed that for the year 1947-48 there should be a mutual waiver of all claims and payments of the nature referred to above It is felt that in all the circumstances this solution constitutes a fair and equitable settlement for both parties. It must be emphasised that this arrangement has been agreed upon in respect of the year 1947-48, only. The method of adjusting claims and counter-claims of this kind which may arise thereafter will have to be settled by negotiation in the light of the circumstances then existing

20 I have referred in an earlier part of my speech to the heavy accumulations of stocks in the hands of the Defence authorities in India Under the operation of the Financial Settlement these accumulations have been paid for by, and therefore belong to His Majesty's Government and the Government of India propose to acquire possession of such stocks held on the 1st April 1947 whether for the future use of India's Armed forces or as surpluses awaiting disposal They also contemplate buying out His Majesty's Government s interest in fixed assets comprising stores buildings,

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hospitals, workshops, office and residential accommodation etc, that have been constructed during the war at that Government's expense The terms on which these stocks and assets are to be transferred will be negotiated in the course of the sterling balances discussions Hitherto the sale proceeds of surplus stores thrown up by the Defence Authorities and those resulting from the disposal of fixed assets created during the war have accrued to His Majesty's Government on whom all expenditure connected with their disposal has fallen From the 1st April 1947 however, in view of the proposed transfers of ownership, all such sale proceeds will be retained by the Government of India It has been decided that these receipts during 1947-48 as well as those arising from the sale of American surpluses will be kept in suspense outside the Defence Estimates and eventually adjusted as Capital receipts, since their credit to the Defence revenue estimates would tend to obscure the true cost of the defence services For a similar reason the amount to be paid to His Majesty's Government for the defence stocks transferred to Indian ownership on 1st April 1947 will (when known) be charged to a head outside the revenue estimates of the defence services It is true that those estimates will from 1st April 1947 have to bear the cost incurred by the defence authorities on the custody handling and distribution of surplus stores, but against this may be set the fact that no charge will be made against those estimates in respect of the cost of stores used for the equipment and maintenance of the armed forces which are drawn from the transferred stocks

21 The budget estimates of defence expenditure for 1947-48 amount to Rs 188 71 crores The practice introduced during the war of providing for certain classes of expenditure, *e g*, on airfields, industrial expansion and new construction for the R I N under a capital head will be discontinued and, commencing with the year 1947-48, all such expenditure will be provided for in the revenue estimates Owing to the abnormal feature to which I have already referred that will prevail during that year, this estimate cannot be regarded as affording any reliable guide to the probable size of India's normal defence budget of the future

22 The cost of defence supplies and services likely to be rendered to His Majesty's Government during 1947-48 is estimated to be approximately equal to the cost of similar supplies and services received by India from that Government Accordingly the year's activities in the defence sphere are not expected to have any net effect on India's sterling balances

23 *Civil Estimates* -- Civil expenditure next year is estimated at Rs 139 17 crores Rs 4 19 crores less than in the current year The estimates include a total provision of over Rs 13 crores under the various heads for expenditure on resettlement and development schemes Subsidies on imported foodgrains are expected to cost Rs 17 35 crores against Rs 20 crores this year Details of the provision under the individual heads are given in the Explanatory Memorandum

24 The budgetary position next year may now be summarised At the existing level of taxation the total revenue is estimated at Rs 279·42 crores Expenditure charged to revenue is expected to amount to Rs 327 88 crores of which Rs 188 71 crores will be on Defence Services, leaving a prospective gap of Rs 48 46 crores The figure of Rs 327 88 crores does not include any expenditure which may have to be incurred as a result of decisions on the recommendations of the Central Pay Commission

Ways and Means

25 I shall digress at this stage, to give a brief account of the Ways and Means position

In normal times the scale of Government borrowing is determined by their requirements of funds but in the war years, as the House is aware, it has been the policy to borrow as much as possible without raising the rates so as to draw off the surplus purchasing power in the hands of the community which would otherwise compete for the limited volume of available supplies As I have mentioned elsewhere, there is still a serious shortage of consumer goods and, till this disparity between the available supplies and purchasing power is substantially reduced he need to counter inflationary trends must be kept in view in regulating our borrowing

We had budgeted this year for a total borrowing of Rs 250 crores from the market and an expansion of our floating debt by Rs 14 crores We now estimate that the market borrowings this year would amount to no more than Rs 112 crores and that the floating debt at the end of the year would be Rs 4 crores less We have been unable to reach the target assumed in the budget for a number of reasons The operations connected with the conversion of 3½% paper to which I shall shortly refer covered the bulk of the slack season when it is usual to float the regular loans We thus lost valuable time and in subsequent months market conditions became more difficult owing to disturbances in certain parts of the country and the seasonal trade demands for funds These demands have been heavier than usual due to the increase in prices of certain commodities like mica, shellac, tea and jute, the slower movement of crops in parts of the country affected by the recent disturbances and the lock-up of funds advanced on goods which are held up by transport or other difficulties The borrowing operations were also hampered by strikes in certain important banks during this period

26 During the course of this year, the Government of India successfully carried out the greatest conversion operation undertaken so far The rate of interest on the ½% non-terminable loans had become out of line with the rate structure for other loans, but as they were liable to be repaid at par after three months' notice they could not appreciate to a value appropriate to their rate of interest It was therefore decided to exercise the option of repaying these loans and to replace them so far as possible by a 3% undated issue Two loans were offered in conversion, one a 3% undated issue redeemable at the option of Government after forty years and the other a 2½% issue redeemable in 1976 The conversion was an outstanding success and a tribute to the credit of the Government of India Out of an outstanding balance of Rs 273 crores well over Rs 260 crores were converted, mostly in the 3% undated loan The annual saving of interest resulting from this conversion will be about Rs 1 3 crores

27 For next year the market borrowings have been taken at Rs 150 crores I have also assumed that Government will exercise the option of repaying the 3% Loan 1947-50, but the final decision will be taken in the course of the year and with reference to the conditions then prevailing

28 My predecessor mentioned last year the reorientation of the Small Savings Movement from a wartime measure to a peacetime organisation with the primary purpose of encouraging consistent savings among the less

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well-to-do sections of the community It will be the policy of Government to encourage the movement in co-operation with the Provincial Governments

During the last financial year the total investments in small savings amounted to Rs 62 34 crores while in the first nine months of the current year Rs 35 38 crores have been invested For next year the net receipts from this source have been estimated at Rs 45 45 crores

Sterling Balances

29 My predecessor last year envisaged a sterling holding of the order of £1330 million by the end of the financial year 1945-46 The total actually reached on 29th March 1946 was £1293 million or Rs 1724 crores He thought it possible that the year 1946-47 might see the end of the period of accretions to our sterling balances, and might even mark the beginning of an era of decreasing balances That anticipation has been more than realised After reaching a peak figure of £1300 million or Rs 1733 crores on the 5th April 1946, the balances have shown a steady tendency to decline, the amount on 31st January 1947 being £1204 million or Rs 1605 crores which means a decrease of about Rs 128 crores in ten months This decrease is due largely to the heavy imports of foodgrains which we have been compelled to make during the last year, as well as to imports of fertilisers, stores and equipment on Government account It reflects also some repatriation of British capital from India and an increasing flow of consumer goods of which the country has been starved during the period of the war The sterling balances represent, by and large, the entire reserve of foreign exchange which this country will have at its disposal in the years to come for purchases of capital equipment required for our development programme and for meeting any unfavourable balance of payments It is, therefore, a matter of paramount importance for our future to see that, apart from those consumer goods of which our people are badly and urgently in need, these balances should be wisely spent in the purchase of capital goods and the creation of productive assets, and should not be allowed to be frittered away, for instance on luxuries, trifles or non-essential consumer goods in a manner which does not add to the real wealth of the country To ensure wise spending abroad is a responsibility of the Government of India and I can assure the House that they are alive to this responsibility

30 During the last session of the Assembly I gave the assurance that the negotiations for the settlement of the problem of India's accumulated sterling balances would be started as early as possible For the purpose of expediting these negotiations there have recently been, as the House is aware, preliminary talks of an exploratory nature between the officers of the Finance Department and the Reserve Bank on the one hand and H M 's Treasury and the Bank of England on the other The conversations were extremely useful to both sides It is expected that they will be continued on a more formal basis towards the end of April The imminence of constitutional changes consequent upon the latest statement of H M G. renders it all the more important that the question of sterling balances should be settled at the earliest possible date I shall, therefore, try my best to bring to bear on this matter as much expedition as the magnitude of the problem permits I need hardly assure the House that I am fully conscious of the fact that our people have gone through untold hardships and sufferings to such an extent that hunger and famine have taken a toll of millions of lives and, even to-day, the end of our suffering is not in sight It must also

be borne in mind that all this was because we not only bore our full share of our war burdens under the financial settlement, which was freely agreed to between H M G and the then Government of India, but also had to strain ourselves to assist the United Kingdom and her allies in various ways Our own share of burdens for which we are making no claim, was enormous and can stand favourable comparison with those borne by the richer nations I cannot believe that any fair-minded person will wish to deny to a people so poor and backward as we, what is justly due to us and is so greatly needed for raising us from our appallingly miserable condition and it will be my aim to secure a just settlement of our claims

Empire Dollar Pool

31 My predecessor had dealt at some length with the origin and significance of what is known as the Empire Dollar Pool In view, however, of the continued misunderstanding in the public mind on this subject the position was again fully explained in a Press Note issued by my Department on October 7, 1946 Honourable Members are aware that the termination of India's membership of the Dollar Pool is a matter indissolubly linked with the settlement of the question of the sterling balances and I can safely say that such a settlement will coincide with the termination, so far as we are concerned, of the pooling arrangement

International Monetary Institutions

32 Before I close my review for the current year I should like to refer, with some gratification, to the notable decision taken by this House on the 28th October 1946 in approving of India's membership of the International Monetary Fund and the International Bank for Reconstruction and Development It is a decision of far-reaching importance, it signifies our willingness to co-operate with other nations in the international economic fields, and to participate in arrangements devised by common agreement for the better regulation and control of international commercial relationships

I must also mention here the important decision, taken in the concluding month of last year, to fix the par value of the rupee in connection with our membership of the Fund This formed an essential preliminary to the commencement of operations by the Fund and all member-countries were similarly called upon to determine the exchange value of their currencies Our decision not to vary the existing parity rate was taken with due regard to all the relevant factors which bear on this difficult problem, and was in consonance with the vast majority of opinion expressed by public bodies and private individuals qualified to speak with authority on this subject and the majority view expressed by the Honourable Members of the House consulted by me at a special meeting I am confident that the decision was a wise one and I derive no little satisfaction from the fact that no country of any consequence has chosen to take a different course.

Necessary provision has been made in the estimates for the payment of our subscription to both the institutions During the current year a sum of 60 million dollars, representing 15 per cent of our quota, has been paid to the Bank and 5 per cent will fall due next year The International Monetary Fund has announced its intention to commence operations from the 1st March, 1947 and our full subscription of 400 million dollars will have to be paid to the Fund during the current year The total expenditure on

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account of these subscriptions, which is being taken to capital, is expected to amount to Rs 152 19 crores this year and Rs 6 62 crores next year The bulk of these payments will be made in the form of non-negotiable non-interest-bearing securities, for which provision is being made in the estimates

Post-war Planning and Development

33 Before dealing with the progress of post-war development and the financial aspect of measures undertaken and contemplated, I would like to refer briefly to the financial resources likely to be available for the purpose The House will remember that in his Budget Speech for 1944-45, Sir Jeremy Raisman suggested that it would not be unreasonable to expect that, taking Revenue surpluses and borrowings together, the total resources in the first effective quinquennium may be of the order of Rs 1,000 crores That tentative estimate was based on certain assumptions, such as the attainment of a reasonably speedy rate of demobilization and an all out taxation and borrowing policy, not all of which have been realised in full A later estimate prepared on more up-to-date information has shown that on the existing basis only a very small surplus on Revenue account would accrue to the Centre for the quinquennium as a whole and the total resources including borrowing would fall substantially below the figure mentioned by Sir Jeremy Raisman The House will doubtless appreciate that any estimates framed now would in view of the uncertainty in the constitutional field introduced by the recent announcement of H M G be of no more than academic interest Until the constitution of the authority or authorities to which the powers and functions of the present Central Government will be transferred is known, it would hardly be prudent to rely, for the quinquennium in question, on a system of Provincial and Central finance based upon the existing constitutional structure But as I have said before, this does not mean that for next year we should not proceed with our economic programme, particularly in the Provincial sphere Long term plans the execution of which is entrusted to departments of the existing Central Government would, however, need review in the light of the new situation but everything possible should be done to foster development on a provincial and regional basis I must, therefore, stress the imperative necessity of mobilizing all our resources to the full, and for the fullest co-operation on the part of the public in all the borrowing operations by Government

34 The deflationary tendencies which in last year's Budget Speech were envisaged as a possible result of the sudden curtailment of Military expenditure have proved to be less serious than was anticipated Indeed, during the past year the main problem has been that of preventing a further inflationary rise on prices rather than of mitigating their decline As the situation developed, it was found necessary to warn Provincial Governments that the works programme in their development schemes should be restricted to what their staffs could execute without undue strain, and within the limitations of material likely to be available, so as to avoid competitive increases of building costs which are already very high It has been suggested to them that a careful watch should be maintained on the cost of construction of various types of works, so that their works programmes could be eased off if prices showed any tendency to rise and accelerated if there were signs of a general fall in prices

35 Subject to this warning the Provincial Governments have been encouraged to proceed with their development programmes and considerable progress has in fact been made during the year As I have already indicated, our financial position is not so satisfactory as had been hoped when the scheme for development grants to the Provinces was first announced, but in spite of this deterioration in our position we shall continue to give every possible assistance to development schemes which are of economic value to the country as a whole I should only like to emphasise two points in this connection In the first place I consider it essential that preference should be given to schemes which are designed to secure the development and expansion of the productive capacity of the country The second point which I wish to emphasise is that even for the period of transition the development programmes can be carried out more successfully if there is full cooperation between the Central and Provincial Governments and full utilisation of Provincial as well as Central resources The Government of India will make every effort to provide during the next year grants for the Provinces to the extent indicated in the last year's Budget Speech, although these grants are necessarily dependent on our financial position The development plans on the scale contemplated by the Provincial Governments can be carried out if they are prepared to exploit their own powers of taxation to the full and to supplement the Central grants from the proceeds of such taxation and of their own borrowings They must learn that they possess borrowing capacity independent of that of the Centre, which cannot borrow on the security of Provincial revenues, and that revenue resources may legitimately be supplemented from loan money for measures calculated to increase national wealth, even though they may not result in direct or immediate revenue return An increase in real wealth is bound sooner or later to be reflected in larger revenues to the State

36 During the current financial year we are making advance payments to the Provincial Governments to cover the whole of the expenditure incurred by them on approved development schemes These advance payments will be taken into consideration when the share of each Province in the total amount available for distribution comes to be calculated In our budget estimates for 1946-47 we made a lump provision of Rs 35 crores for such advance payments and for expenditure on "Grow more Food" and other schemes whose cost is shared between the Central and Provincial Governments Mainly owing to shortages of staff and material, the Provincial Governments have not been able to spend as much as had been anticipated and we now estimate that the total amount required during the current year will be of the order of Rs 25 crores In addition to this, loans granted to Provincial Governments for productive schemes are expected to amount to Rs 11½ crores In the next year's budget we have provided Rs 45 crores for development grants and Rs 32 crores for loans to the Provinces It is not intended that the grants for next year should, as in the current year, represent the total amount of expenditure incurred by the Provincial Governments on development schemes I hope that in most cases it will considerably exceed the amount of the grant, but we have not considered it practicable for next year to insist on a specific proportion of the total expenditure being contribted by the Provinces, since some Provincial Governments have at present practically no accumulated funds available for this purpose

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and it will take some time to build up the necessary resources Other Provinces however, have substantial funds already available for development purposes Such Provinces will naturally be expected to use a part of their own resources during the year

37 The Central development plans have also made good progress during the year These include schemes of agricultural development, training schemes for technical staff and financial assistance to various scientific, medical and technological institutions We have also made provision for important development schemes in the Centrally Administered Areas and in the Tribal Areas on the North-West and North-East Frontiers of India The funds provided for development purposes are distributed between many different heads, but I have roughly estimated that, if allowance is made for increases in standing charges, the total provision in the revenue section of the budget (excluding Railways and Posts and Telegraphs but including resettlement schemes) would come to over Rs 15 crores

38 One important development which deserves specific mention is the assumption of financial responsibility for the construction of and maintenance of National Highways It has now been agreed that this change should come into effect on the 1st of April 1947 and we have made a total provision of about Rs 6½ crores for National Highways expenditure during 1947-48, Rs 2¼ crores in the revenue budget and the balance in the capital budget

39 Another item which was mentioned last year is the subsidised housing scheme Owing to the very high cost of building there has not so far been much response to the Central Government's offer to pay 12½% of the total cost of approved schemes The matter is however again under discussion with the Provincial Governments and we hope they will be ready to proceed with suitable schemes during 1947-48, in so far as this can be done without pushing up prices still further Meantime the Central Government have themselves approved a special scheme for the housing of coal miners It has been agreed that as an experimental measure 10,000 houses should be constructed on selected sites in the Bengal and Bihar coalfields and that houses of a similar type should be built for some of the railway collieries The Central Government will pay a subsidy to the extent of 20% of the cost of these houses, subject to a maximum of Rs 400 per house, and the balance of the cost will be met from loan funds Since it is not at present considered practicable to effect large recoveries either from the owners or from the miners we propose to meet the greater part of the recurring charges by means of a small addition to the existing Welfare Cess on the total output of coal

40 The only other schemes which I wish to mention specifically at this stage are the schemes for river development I am glad to be able to say that, at a conference held last month, the Departments of the Central Government and the Governments of Bengal and Bihar reached a tentative agreement on the outlines of the Damodar scheme, which involves the building of eight dams and is expected to cost about Rs 55 crores A further conference will shortly be held at which we may expect the terms of the agreement to be finalised The project affects more than one Province and many complex problems arise in reconciling all the interests involved Considerable progress has been made in finding a suitable solution by the establishment of a Statutory Corporation which will be invested with the necessary authority by the Provinces and the Centre and

financed by them in an agreed manner It is hoped that a Damodar Valley Corporation will shortly be set up to plan, construct and administer the scheme, and that the construction of certain dams will start during the next cold weather Considerable progress has also been made with the preliminary enquiries which are being conducted by the Central Waterways, Irrigation and Navigation Commission in connection with the Kosi and Mahanadi development schemes It is obvious that schemes of this kind are of the utmost importance for the economic development of the country and I hope that the Governments concerned will continue to give them the highest possible priority

41. As I have indicated earlier, the recent statement of His Majesty's Government has thrown everything into the melting pot and all the schemes for which the present Central Government has taken responsibility will have to be reviewed in the light of constitutional developments

42. I should like to take this opportunity to emphasise the importance of regional planning in the economy of this sub-continent The fundamental object of all planning and development is to raise the standard of living of the masses In order to ensure a uniform improvement in the standard of living, it is essential that all parts of the country, particularly the backward areas, should develop a sound and balanced economy. A balanced economy implies the co-ordinated development of the soil, water resources, electric power, agriculture, industry, health, education, trade and a just and equitable distribution of wealth. Such an economy, in my view, can best be achieved if planning proceeds on a regional basis. The work of the Tenessee Valley Authority provides a classic example of what can be achieved by concentration of planning effort in a backward region. The Indian subcontinent with its population of four hundred million, which is one-fifth of the human race, and its area of nearly sixteen hundred thousand square miles, is far too big to be treated as one unit for the purpose of planning It is often urged in support of Central planning that it would avoid overlapping and waste of resources In the present undeveloped state of the country this would appear to be an academic argument which hardly has any relation to facts The India of today is in such a backward state of development that it may well take at least another generation before we reach a stage when we can talk of overlapping and waste of resources.

43. Before I pass on to my proposals for reducing the gap between revenue and expenditure, the House will doubtless wish for an assurance from me that the estimates of expenditure of the Central Government in the coming year are not in excess of what is essential for the day to day administration and for necessary development. I am aware that there is a feeling in this House that the Central Government expenditure needs scrutiny in certain respects I agree that, if only for the purpose of conserving our resources for development, there may be certain directions in which such a scrutiny can be usefully exercised It may, for instance, be found that some of the establishments of the Government of India are susceptible of reduction. Again, certain wartime activities which in the first instance were undertaken to meet specified wartime requirements may have escaped review even though the need for them may have ceased to exist. And, lastly, it may also be necessary to see if the Central Government has undertaken any functions or activities which legitimately fall within the Provincial

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sphere beyond what is necessary Even though the Finance Department, in the course of its day to day working, conducts an examination of expenditure proposals keeping all these considerations in view, I feel that there might be advantages in an *ad hoc* review at this stage by a Committee which would examine the matter in its broad aspects and from a detached point of view I therefore propose that a Committee, consisting of officials and non-officials, including Members of the Legislature, should be appointed for this purpose I should, however, make it clear that my object in proposing an Economy Committee of this nature is not to conduct a retrenchment campaign in the sense in which that expression is ordinarily understood Although inflationary conditions still persist, a thorough going retrenchment drive would not be appropriate with the possibility of a post-war deflation hanging over us, which might necessitate an expansion of public expenditure for counteracting an incipient deflation What I am really anxious to secure is that the resources of the Central Government are utilised to the fullest advantage of the community and are not frittered away on objects which are neither essential for the day to day administration nor conducive to the development of the country In other words, economy and the elimination of unnecessary, wasteful or extravagant expenditure is my objective rather than pure retrenchment.

44 An important question which I might mention at this stage is the nationalisation of the Reserve Bank of India Honourable Members will remember the recent debate in the House which disclosed that there was a general concensus of opinion in favour of nationalisation I said at the time that I would be prepared to give sympathetic consideration to the proposal for nationalising the Bank if this was found to be in the best interests of the country, after considering all the relevant aspects of the question I have since given further thought to the matter and am convinced that the advantages of nationalisation outweigh any possible disadvantages I have therefore come to the conclusion that the Reserve Bank should be nationalised, the time and manner of effecting the change being a matter for separate consideration in due course

45 There is another matter which I should also like to mention, namely, the question of control over speculation on the Stock market and on the Commodity and Bullion Exchanges The House will, I am sure, agree with me that in recent years speculative activity has tended to increase, particularly on the Stock Exchanges, with serious consequences on the banking system and credit structure of the country as a whole Unbridled speculation has been a serious impediment to the growth of proper investment which is an essential condition of economic development I regard speculation of this kind as a social evil indistinguishable from gambling, and its greatest mischief lies in the fact that it aggravates economic inequalities in a country where such inequalities are already serious The question of regulating Exchanges has been the subject of a special enquiry by the Economic Adviser of my Department, and the views of Provincial Governments have also been elicited I hope to place before the House after the necessary examination is completed the measures that may be necessary in this behalf

46. The proposals that I have to place before this House, whether they involve the levy of fresh or the abandonment of existing taxation, are related, not to purely financial purposes, but to certain social objectives which, I am sure the House will agree, must be kept prominently in view by all those

who have the good of the countless millions of this vast sub-continent at heart India is a land of glaring contrasts and disparities, we have here on the one-hand a class of multi-millionaires rolling in wealth and holding the economy of the country in their grip by exploiting for their own profit the labour of the poorer classes, and on the other hand the vast multitudes who eke out, somehow or other, a miserable existence precariously near the starvation line The conditions created by the last war served to accentuate these disparities, the rich became richer and the poor poorer This meant the con centration of wealth in fewer and fewer hands and, inevitably, the use of that wealth for the purpose of tightening the stranglehold of Big Money over the economic life of the country as a whole by the acquisition of businesses, companies, public utilities, and the press A set of conditions in which the few are able to wield such vast power over the many can hardly be regarded as anything but a negation of the principles of social justice. And although I am not one of those who consider the abolition of private property and the complete equalization of incomes as the only remedy for these ills, I do believe in the Quaranic injunction that wealth should not be allowed to circulate only among the wealthy, and the stern warning given against accumulations of wealth in the hands of individuals. It is against this background that my budget proposals have been formulated, although I am afraid I cannot claim that they represent anything more than the first stage of a policy of social justice and development which it will require years to bring to full fruition

47 My first proposal in implementation of the policy I have indicated is the setting up of a Commission to investigate that aspect of the great private accumulations of wealth in recent years which is concerned with our direct taxation We have heard a great deal for some years past about the enormous amount of income which is alleged to have escaped taxation either owing to deliberate evasion or to the inadequacy of the Income-tax Department or to both. We have also heard of the huge sums that are said to have been made in black-market operations And I must say that support for these opinions, which have been voiced in the press and elsewhere, is found in the numerous reports of transactions in which businesses and properties of various kinds have changed hands for vast sums of money. The way in which some of these profiteers have flaunted their newly acquired wealth has been something of a public sensation And when one considers that out of an annual income of Rs 30 lakhs for the five years 1941-42 to 1945-46 inclusive—and I would point out that an annual income of Rs 30 lakhs is a very exceptional income *i e*, out of a total income of a crore and a half for those five years having regard to the fact that excess profits tax was in force during those years—only Rs 21 lakhs would have been left after the correct amount of taxation had been paid, one is entitled to ask how the crores of rupees which have figured in many recent transactions were accumulated There may be a good explanation but, if so, we are entitled to have it. I therefore propose to set up a special Investigation Commission with full powers to get to the bottom of this matter and to make recommendations to Government in regard to such action as may be found necessary.

48 I come now to my taxation proposals Between the total estimated expenditure, both civil and defence, of Rs. 327 88 crores and the total estimated revenue, at the existing level of taxation, of Rs. 279·42 crores, there is a gap of Rs 48·46 crores, which will be further enlarged by the withdrawal of the salt tax which I am proposing. This proposal will mean a loss of Rs. 9·25 crores of revenue, to which must be added a further Rs. 1

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crore for refunds of duty on stocks The expenditure on salt administration will be met by adjustment of the selling price of Government salt and of the cess on salt manufactured under licence thus leaving a net loss of Rs 8 25 crores My problem then is how to fill a total gap of Rs 56 71 crores I have come to the conclusion that the greater part of this gap should be filled by direct taxation and my proposals for new or increased taxation are therefore designed to yield Rs 44 crores of which Rs 4 crores will go to the Provinces as their share

49 In regard to the Salt Tax, the objections are well-known—the most valid being that it is laid upon a prime necessity of life and that it is regressive, the poor man paying as much as the rich man and perhaps, if he is a manual worker, even more On the other hand, the incidence on the individual consumer is light, while the annual yield in revenue amounts to more than Rs 9 crores Until recent years, the yield from the tax formed a substantial part of the revenue budget and previous Governments have felt unable to dispense with so large an individual contribution At the present time, however, the proportion which it bears to the total revenue is comparatively small so that this objection has considerably less force now than before After careful consideration it has been decided that the tax should now be withdrawn At the same time, we are impressed with the necessity for maintaining close control over the production of salt in India so as to ensure the maintenance of a high standard of quality and the provision of adequate supplies throughout the land, and to secure the country against periodical shortages due to the cutting off of external supplies Until now Government's interest in the salt industry has been largely confined to the raising of revenue, hereafter it is intended that its interest should be entirely positive and constructive and should be directed towards developing India's salt resources to their full potential, improving the quality of the salt and making sufficient grades to provide for all classes of consumers, encouraging increased consumption by individuals and by cattle, providing adequate supplies for industrial uses, keeping prices at a minimum and ultimately making India full self-supporting in this important commodity

The excise duty on indigenous salt and the customs duty on imported salt will accordingly be withdrawn with effect from the 1st April 1947, but Government will continue its own production of salt and will retain control over organised manufacture and will also purchase or control all imported salt Individuals will, however, be allowed to make or collect salt for their own purposes and those who wish to manufacture for sale will be allowed to do so subject to certain limitations which will be prescribed by rules

In order to provide that as far as possible the full benefit of the remission of duty is passed on to the consumer, maximum wholesale and retail selling prices will be prescribed and failure to observe these maxima will be liable to penalty

A Bill giving effect to these decisions and setting up machinery for the future control of the manufacture, import and distribution of salt will be introduced during the course of this session

In September last year, in order to avert a salt famine which was then threatening owing to the reluctance of wholesale dealers to purchase salt in face of the possibility that the duty might presently be abolished, the salt trade was assured that it would not be put to loss in respect of substantial stocks of salt held at the time when such a change, if decided upon, should

take place In fulfilment of this promise dealers will be granted refund of duty on all bagged stocks of 30 maunds or more held in their possession on the 1st April 1947

50 I would like to remind the House that the abolition of the Salt Tax is not the only form of direct relief to the poorer classes A further and even more effective form of assistance is the expenditure of Rs 17·35 crores on the subsidisation of imported food and the indirect subsidisation of food produced within the country in the form of 'Grow More Food' grants to which I have referred in an earlier part of my speech The corner stone of our economic policy is to maintain strict control over the prices of the basic necessities of life, food and cloth, so as to stabilise them at reasonable levels and keep them within the purchasing power of the poorest sections of the population I am determined to take all steps in my power in furtherance of this policy

51 In the field of direct taxation, I propose to raise the minimum exemption limit for income-tax, which is now Rs 2,000 to Rs 2,500 This raising of the limit will give relief to a considerable number of assessees who are hard hit by present conditions In proposing this relief I am not unmindful of the feeling in its favour expressed by many members of this House in proposing amendments to former Finance Bills The cost of the relief will be about Rs 25 lakhs

52 Coming now to proposals of additional taxation my most important contribution is the proposal to levy a special income-tax of twenty-five per cent of business profits exceeding one lakh of rupees The proposals for this tax are contained in a separate Bill and I do not desire to anticipate here the explanation which will be given when the Bill is being considered by this House But I should like to point out that this proposed tax is very much fairer in its incidence than the Excess Profits Tax It also embraces professions and vocations which were exempt from the Excess Profits Tax To prevent hardship in the case of moderate incomes a limit of exemption of one lakh of rupees has been fixed This in substance corresponds to the "standard profit" under the Excess Profits Tax Act, and only the excess above one lakh will be subject to the tax The yield of the tax is estimated at Rs 30 crores for next year

53 My next proposal is a tax on capital gains Honourable Members must be well aware of the extent to which large capital gains have been made in recent years and are still being made owing to prevailing conditions These profits are, as the law stands, outside the scope of the Income-tax Act I feel very strongly that this lacuna in our legislation should be filled There is stronger justification for taxing these profits than there is for taxing ordinary income since they represent what is properly described as unearned increment The U S A taxes such profits I am well aware that possibly the chief reason why many countries do not seek to tax them is the fear that losses claimed may exceed the profits declared I am proposing to deal with this contingency as the U S A have dealt with it, by allowing capital losses to be set off only against capital gains This at least will secure us against a net loss under this head in any particular case The proposals also distinguish between gains made from the disposal of capital assets held or two years and those held for more than two years In the case of the former the usual rates of income-tax and super-tax will apply, while in the case of the latter super-tax will not be levied This distinction, however, does not apply to companies as they are not assessed to graduated rates of super-tax The proposals further provide for ignoring profits and losses not exceeding

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Rs 5,000 a year There are two reasons for this exemption In the first place, we do not want to harass assessees or waste the time of our officers by investigating petty capital transactions and, secondly, we want t exclude the great majority of cases in which assessees dispose of personal pos-

The proposal is expected to yield Rs 3½ crores next year

These proposals for taxing capital gains are contained in a Bill, already mentioned, to amend the Income-Tax and Excess Profits Tax Acts which is being placed before the House The part of the Bill which deals with Excess Profits Tax implements an undertaking previously given to provide for terminal losses It recognises the fact that some expenses and losses incurred after the 31st March 1946—the date on which the Excess Profits Tax ceased to have effect—should in fairness be treated as relating to the E P T period It is proposed therefore to allow as a deduction from the profits of the chargeable accounting period ended on that date terminal expenses incurred after it and losses from the subsequent realisation of trading stocks held on that date

54 My next proposal is to raise the rate of corporation tax from one anna to two annas This is expected to yield Rs 4 crores next year

55 No change is proposed in the rates of income-tax but I feel that our present rates of super-tax are not sufficiently in accordance with modern trends in the taxation of high individual incomes It seems to me that the maximum rate of ten and a half annas should be reached at points much lower than the present, which are Rs 3½ lakhs for unearned income and Rs 5 lakhs for earned income In the scale which I am proposing the maximum rate is reached at Rs 1 2 lakhs for unearned income and Rs 1 5 lakhs for earned income This will, in effect, mean, that, in these reaches of income the total of income-tax and super-tax taken together will amount to fifteen and half annas in the rupee This proposal is expected to yield Rs 2½ crores next year

56 Finally, I come to the dividend tax which was imposed last year, not for the purpose of raising revenue but in order to discourage the dissipation of a company's resources in excessive dividends The idea underlying the scheme is that a company should be penalised if it distributed roughly more than one half of its profits left after taxation So far as we have been able to ascertain from completed assessments, the policy which this tax seeks to enforce has been followed in the great majority of cases But in order to discourage further those who still persist in distributing what we consider excessive dividends in present circumstances, I propose to tighten up the provision by making the rates of tax more penal As the proposal will yield no tax if it fulfils its object and as that is my hope, I am estimating no yield under this head

57 In the field of indirect taxation, I propose to raise the existing export duty on tea from two annas per pound to four annas per pound This is estimated to yield additional revenue to the extent of Rs. 4 crores in the next year I should emphasise that this duty is of a temporary nature and if circumstances arise which indicate that there is danger of curtailment of our exports of tea, it may be necessary to reduce the rate

58 The effect of my proposals is to increase Central revenues by Rs 39 75 crores which will leave a final deficit of Rs 16 96 crores But I must warn the House that the actual deficit may be much larger as the budget does not include any provision for the additional expenditure that may be incurred as a result of the orders that may be passed on the recommendations

of the Central Pay Commission Some losses in customs duty due to reductions in tariff may also arise as a result of the international trade discussions which are shortly to be held and in which India is participating But we might reasonably hope that any such losses resulting to the public exchequer will be counterbalanced by the advantages accruing to the people of this country as a result of the tariff concessions which we hope to receive from the other countries in exchang for the concessions made by us

59. Sir, I have done We are passing through an exceedingly difficult phase The transition from war to peace presents the economy of every country with problems of great magnitude and difficulty In our case there is, superimposed on these problems, the still greater problem of the transfer of power from British to Indian hands The problem of India's political emancipation with which is linked up the economic well-being of the country is intricate and the task ahead of us difficult But if we tackle it with wisdom and courage and arrive at a peaceful, just and honourable settlement we will have succeeded in ensuring the future progress and happiness of the peoples of this vast sub-continent The eyes of the whole world are on us May Providence help and guide us during the most crucial year of our destiny!

INDIAN FINANCE BILL

The Honourable Mr Liaquat Ali Khan (Finance Member) Sir, I beg to move for leave to introduce a Bill to give effect to the financial proposals of the Central Government for the year beginning on the 1st day of April, 1947

Mr. President. The question is

That leave be granted to introduce a Bill to give effect to the financial proposals of the Central Government for the year beginning on the 1st day of April, 1947"

The motion was adopted

The Honourable Mr Liaquat Ali Khan: Sir, I introduce the Bill

INCOME-TAX AND EXCESS PROFITS TAX (AMENDMENT) BILL

The Honourable Mr. Liaquat Ali Khan (Finance Member) Sir, I beg to move for leave to introduce a Bill further to amend the Indian Income tax Act, 1922, and the Excess Profits Tax Act, 1940

Mr President The question is

"That leave be granted to introduce a Bill further to amend the Indian Income tax Act, 1922, and the Excess Profits Tax Act, 1940"

The motion was adopted

The Honourable Mr Liaquat Ali Khan: Sir, I introduce the Bill

BUSINESS PROFITS TAX BILL

The Honourable Mr Liaquat Ali Khan (Finance Member) Sir, I beg to move for leave to introduce a Bill to impose a special tax on a certain class of income

Mr. President: The question is

"That leave be granted to introduce a Bill to impose a special tax on a certain class of income"

The motion was adopted

The Honourable Mr. Liaquat Ali Khan: Sir, I introduce the Bill.

TAXATION ON INCOME (INVESTIGATION COMMISSION) BILL

The Honourable Mr. Liaquat Ali Khan (Finance Member) Sir, I beg to move for leave to introduce a Bill to provide for an investigation into matters relating to taxation on income

Mr. President: The question is

"That leave be granted to introduce a Bill to provide for an investigation into matters relating to taxation on income"

The motion was adopted

The Honourable Mr Liaquat Ali Khan Sir, I introduce the Bill

The Assembly then adjourned till Eleven of the Clock on Monday, the 3rd March, 1947

LEGISLATIVE ASSEMBLY

Monday, the 3rd March, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr President (The Honourable Mr G V Mavalankar) in the Chair

MEMBER SWORN

Mr M V Rangachari, M L A (Government of India Nom

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

GRADY COMMISSION REPORT

648 *Maharajkumar Dr. Sir Vijaya Ananda: (a) Will the Honourable Member for Industries and Supplies be pleased to state if Government will publish the Grady Commission Report?

(b) If not, what are the reasons for withholding it from the public?

The Honourable Sri C Rajagopalachari: (a) and (b) The Report and the Memorandum indicating the action taken by the Government of India to implement the recommendations in the Report were published in August, 1946 Copies have been placed in the library

Shri Sri Prakasa: With what was this Grady Commission concerned?

The Honourable Sri C Rajagopalachari. It was an American Technical Mission which came during the war to advise the Government of India as to how to increase the potentials of industry with reference to war?

Shri Sri Prakasa: Has the new budget affected the potentials of industry in any way?

The Honourable Sri C. Rajagopalachari: I think the question may be put in a more precise form to a different Member of the Government of India

DEVELOPMENT OF INDIA'S CATTLE WEALTH THROUGH *GAUSHALAS*

649. *Pandit Sri Krishna Dutt Paliwal: Will the Secretary of the Department of Agriculture please state

(a) the steps which Government intend to take to develop India's cattle wealth through proper organization of goushalas,

(b) if Government will lay on the table of the House their schemes in this connection, and

(c) the time when the scheme will come into effect in all the Provinces?

Sir Pheroze Kharegat: (a) The Cattle Utilisation Adviser is advising Gaushalas on technical problems and helping them in adopting scientific methods of management, and breeding of animals and segregation of useless stock The Government of India are giving financial assistance to the Provinces for their Gaushala Development schemes which provide for the appointment of Provincial Gaushala Development Officers, the training of Gaushala workers in cattle management and dairy farming, and the distribution of approved breeding bulls to Gaushalas for improving their cattle

(b) A type scheme for the development of Gaushalas is included in the outline of an agricultural plan for an average province, copies of which have been placed in the Library A copy of a note by the Cattle Utilisation Adviser giving information and advice for the use of these institutions is placed on the table

(c) Schemes have already been sanctioned for Bengal, the Central Provinces Orissa, Sind, the United Provinces, Ajmer-Merwara and the Jaipur State It is hoped that during 1947-48 similar schemes will be working in almost all the Provinces It is expected that at the end of a period of about five years, these organisations will be producing about 3,000 maunds of extra milk daily and about 50,000 useful cows, 25,000 good bulls and 25,000 good bullocks annually

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Statement

It is estimated that there are about 3,000 Gaushalas and Pinjrapoles in the country, purpose, these institutions are serving, is indeed laudable Some of these institutions are already well organised, well managed, have good resources of both cattle, land and finance but it is felt that if this activity was properly reorganised and necessary facilities and technical guidance given to them, the Gaushalas and Pinjrapoles can contribute a great deal towards cattle development and increased milk production

During his visits to Gaushalas, the Cattle Utilisation Adviser has noticed that, on an average, 20 per cent of cattle maintained there are good pure type, 20 per cent more fair type and the remaining 60 per cent old, infirm and unfit for further breeding Taking the total cattle population of these institutions at 6 lakhs, the number of cattle under different classes work out as below

(1) Good Cattle 20 per cent	1,20,000 Nos
(2) Fair Type of cattle 20 per cent	1,20,000 ,,
(3) Old, infirm and unfit for further breeding, 60 per cent	3,60,000 ,,
Total	6,00,000 ,,

The Plan —

Cattle Utilisation Adviser's plan essentially consists of —

(a) Exploitation of breeding and milk producing capacity of the first two types, *viz*, good cattle and fair type cattle for breeding good cattle and increasing milk production

(b) Segregating third type of cattle, *viz*, old, infirm and unfit with a view to better management, economy and relieving congestion

(c) Training of Gaushala workers in general animal husbandry and dairying

(d) Giving technical assistance, veterinary aid and other facilities like grazing areas, etc, to these organisations

(e) Establishment of Provincial Gaushala Federation

(a) *Exploitation of breeding and milk producing capacity* —The good and fair types cattle in Gaushalas numbering nearly 2½ lakhs of which 1,20,000 may be cows, which with proper management, feeding and breeding, can on one hand give increased daily milk production to the extent of nearly 3,000 maunds and on the other had an annual production of nearly 50,000 useful cows, 25,000 good bulls and 25,000 good bullocks This indeed will be an appreciable contribution to the cattle development and milk production activity of the country

(b) *Segregation of different types of cattle* —In order to achieve best results most economically and in the shortest possible time it is necessary that the non productive types should be segregated from the productive types Most of the Gaushalas are located near towns, where there is dearth of space, leading to overcrowding and congestion Near towns non availability of grazing, high cost of cattle feeds and high wages of labour make maintenance of non productive types unnecessarily costly It will be desirable that arrangements should be made for grazing plots in the interior forests where these non productive cattle of all Gaushalas in the vicinity can be maintained without much cost A common organisation of representatives of all contributing Gaushalas may be necessary to look after the management of cattle there All the Gaushalas that the Cattle Utilisation Adviser has so far visited have greatly commended this principle of segregation of different classes of cattle

(c) *Training of Gaushala workers*—For efficient management of Gaushala cattle it is necessary that the men incharge of the herds should have training in the requirements of cattle, their practical handling and management Due to dearth of technical trained personnel it has been found impossible by Gaushala managements to get suitable hands With a view to tide over this difficulty, efforts are being made by the Cattle Utilisation Adviser to institute six months courses of training for gaushala workers in each province It is expected that each Gaushala will send at least one candidate for training who will then go back and work in the Gaushala

(d) *Technical Assistance, etc*—For progressive development of these institutions it will be necessary to have an officer to advise them on technical matters and also help them in getting facilities like good bulls, good cows veterinary aid grazing land, land for fodder cultivation good seeds, proper irrigation facilities and purchase of cattle feeds at controlled rates through Department concerned For this the Cattle Utilisation Adviser is proposing a scheme for appointment of a Gaushala Development Officer for each province This scheme is already sanctioned for Sind, U P, C P Orissa Bengal and Ajmer Merwara

(e) *Provincial Gaushala Federations*—In order to bring this activity on a permanent footing efforts are being made to form Provincial Gaushala Federations This organisation will bring in its fold all the Gaushalas in the Province with a view to bring about uniformity in their management, guide and assist them in their development and collectively help one another Such federations have already been formed in C P Bihar Bombay Punjab United Provinces Ajmer Merwara and Jaipur State

Salvage of Dry cattle—Those Gaushalas which have resources can further help the country's cattle development by taking up the activity of salvage of cattle from towns The main essentials of this activity are (a) having fodder and grazing farms in the mufassil, (b) taking dry cattle from owners in towns and maintaining them on the fodder farms for their dry period on a small monthly charge, (c) returning the cattle back to owners in towns on refreshening This activity will save the good cattle that are otherwise being sold off by the owners to the butchers on drying due to the high cost of their maintenance in towns for their dry period

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Pandit Sri Krishna Dutt Paliwal: What practical results have been achieved as a result of the steps taken by Government?

Sir Pheroze Kharegat. The work has been started only recently and it is too early to estimate the practical results achieved so far

Mr Sasanka Sekhar Sanyal: What steps have Government taken to make fodder available at control rates?

Sir Pheroze Kharegat: That question was dealt with on another occasion in this House when it was explained that it is very difficult to arrang for the control of fodder prices There are certain types of fodder such as oil cake which are however controlled

Mr Tamizuddin Khan: What is the estimated cost of the scheme?

Sir Pheroze Kharegat: The cost of the schemes which have so far been sanctioned comes to roughly about Rs 110 000

Shrimati Ammu Swaminadhan: Is the Honourable Member aware that cows are being kept in outhouses of private bungalows in New Delhi and they are causing great inconvenience by going from garden to garden and destroy vegetables as well as flowers? What steps do Government propose to take to send them to these gaushalas?

Mr President: That question does not arise

Mr. Sasanka Sekhar Sanyal: Is any financial assistance being given to Provinces as block grants to help them in the schemes undertaken by them?

Sir Pheroze Kharegat: No Sir Half the cost of the scheme is met by the Centre and the other half is met by the Provincial Government

Mr. Sasanka Sekhar Sanyal: How many gaushalas have been helped financially and what is the amount given?

Sir Pheroze Kharegat: The amount spent by the Centre is Rs 110,000 The amount that must have been given to gaushalas would be approximately double that amount, that is, Rs 220 000

NUMBER OF CATTLE IN *GAUSHALAS*

650. *Pandit Sri Krishna Dutt Paliwal: Will the Secretary of the Department of Agriculture please state

(a) the number of gaushalas in the country and the number of cattle in these gaushalas,

(b) the percentage of cattle in these gaushalas which are (i) of good dairy type (ii) of fair type, (iii) old, infirm and unfit for breeding, and

(c) if it is a fact that Government propose to segregate the old and infirm cattle from the productive ones and send the former to forest lands which are not utilised at present?

Sir Pheroze Kharegat: (a) The number of Gaushalas in the country is estimated to be about 3,000 and the population of cattle in these Gaushalas at about six lakhs

(b) (i) About 20 per cent, (ii) About 20 per cent, (iii) About 60 per cent

(c) A recommendation on these lines has been made to the Provincial Governments, in order that the old and infirm cattle of neighbouring Gaushalas may be maintained at a nominal cost and the space and funds thus released may be utilised by the Gaushalas for better breeding and milk production

Dr Zia Uddin Ahmad: With reference to the reply to part (b) (i) the cows of good dairy type should be maintained on private funds and not at Government expense?

Sir Pheroze Kharegat: The arrangements that we are trying to make are to develop these gaushalas into places where good animals can be kept and bred so as to increase the milk supply so that the gaushalas may be ultimately more useful than at present

Dr Zia Uddin Ahmad: It should be self supporting

Sir Pheroze Kharegat: They may become self supporting in certain cases

WHEAT POSITION IN INDIA IN VIEW OF *RABI* CROP

651. *Pandit Sri Krishna Dutt Paliwal: Will the Secretary of the Food Department be pleased to state whether the wheat position in the United Provinces has improved by now in view of the present *rabi* crop and imports?

Mr. K L Panjabi: The wheat which the U P Government procured after the last harvest was insufficient for their requirements, and as was expected they needed supplies from outside in the last months of the crop year Unfortunately we have been unable to send them the wheat required as our imports have been totally inadequate and the internal Indian wheat crop, as the Honourable Member is aware was a poor one I am afraid therefore that there has been no improvement in the U P wheat stock position It will be another month before the effect of the coming *rabi* harvest will begin to be felt

Pandit Shri Krishna Dutt Paliwal: Will the Government consider the advisability of declaring U P a deficit province in respect of wheat, in view of the reply which the Honourable Member has given just now?

Mr K L. Panjabi: Yes Sir

Pandit Sri Krishna Dutt Paliwal. Will Government make adequate arrangements to supply wheat to U P ?

Mr. K. L. Panjabi: I have explained that our imports have not been in sufficient quantity Government are doing their best

Pandit Sri Krishna Dutt Paliwal: Will the Government consider the advisability of not taking away any wheat from U P ?

Mr. K L. Panjabi: I am not aware that wheat has been taken from U P

Pandit Sri Krishna Dutt Paliwal. Wheat was taken last year on loan from U P

Mr. K. L. Panjabi: The loan was for a temporary purpose

Mr. P. B. Gole. Have any arrangements been made to send wheat to U P where the crops have utterly failed?

Mr. K L. Panjabi I want notice

Dr. Zia Uddin Ahmad: In view of the fact that wheat ration in U P has been reduced to two chhattaks, which is starvation diet will the Government stop the export of wheat altogether from U P

Mr K L Panjabi Our policy is not to take any grain from any province unless it is surplus?

Dr Zia Uddin Ahmad Is U P a surplus province in the books of the Food Department?

Mr K L Panjabi At present U P is not a surplus province

PRICE COMMITTEE ON AGRICULTURE, FORESTRY AND FISHERIES

652. *Pandit Sri Krishna Dutt Paliwal. Will the Secretary of the Department of Agriculture be pleased to state

(a) whether Government have considered the report of the prices sub-committee of the Policy committee on Agriculture Forestry and Fisheries,

(b) the decisions, if any, Government have come to on that report, and

(c) if Government intend to guarantee minimum remunerative price for wheat, if so, what price?

Sir Pheroze Kharegat (a) The Summary of the Report of the Agricultural Prices Committee was received by the Government in November 1946 A conference of Provincial Ministers, representatives of Indian States and representatives of the Central Government was held on the 17th and 18th January, 1947 to consider the Summary of the Report The full Report has not yet been received from press and will be considered as soon as it is received

(b) No decisions have been arrived at yet The Agricultural Prices Conference was of a purely exploratory nature and did not therefore commit the respective Governments in any way A copy of the unofficial note issued on the subject has been placed on the table in reply to question No 457, of the 21st February, 1947

(c) Government have in the present season undertaken to purchase all wheat offered in the main producing areas at Rs 7/8/- per maund should prices fall A similar undertaking is likely to be given in respect of the coming crop season in respect of which price levels are now about to be determined

Mr. Sasanka Sekhar Sanyal In reply to question No 457, a supplementary question was asked whether Government would consider the advisability of circulating the substance of the report of the proceedings among the Members of this House, may I know what the Government propose to do in the matter?

Sir Pheroze Kharegat A copy of the report will certainly be circulated

Pandit Sri Krishna Dutt Paliwal Have the provincial governments got power to change the prices from district to district to suit local conditions

Mr K L Panjabi: If the Honourable Member is referring to maximum prices I may explain that the prices are determined by the Government of India in consultation with the provinces

Pandit Sri Krishna Dutt Paliwal: Have the Provincial Governments got power to vary the price from district to district?

Mr. K. L. Panjabi: At the all India Food Conference attended by the representatives of provinces it was decided that the Government of India will determine the prices

Pandit Sri Krishna Dutt Paliwal. What about the power of local governments to adjust prices according to local requirements?

Mr. K L. Panjabi. Very slight difference is allowed to be made between maximum and minimum price level fixed for the province by the Government of India

Mr President The question is that prices having once been determined, is it open to the provincial governments to change the prices from district to district?

Mr K L Panjabi Slight adjustments are possible, but not in the general price level

Pandit Sri Krishna Dutt Paliwal In view of the fact that at the time of last procurement the price in Agra district varied from Rs 20 a maund or more, while in the neighbouring Muttra district it was Rs 12 a maund—a variation of more than 50 per cent —may I know whether the Central Government have authorised provincial governments to vary prices according to local conditions?

Mr K L Panjabi. That is so Sir The policy of Government is to fix the general price level for the province, some adjustments may be permitted in respect of certain districts but the specific instance referred to by the Honourable Member will be enquired into

Babu Ram Narayan Singh What is the basis according to which the Central Government fix the prices for agricultural products?

Mr K L Panjabi There is a separate question on the subject coming up later on

Shri Sri Prakasa Before fixing the prices do Government consult the Reserve Bank of India as to the amount of currency notes they are intending to print in the succeeding weeks?

Mr Sasanka Sekhar Sanyal About a fortnight back, in reply to a question it was admitted on the floor of the House by the Government that in different parts of Bengal there was disparity of prices of food crops May I know whether the Central Government have instructed the Bengal Government to see that this disparity is removed?

Mr. K L Panjabi When the question was raised, I pointed out that there was no intention on the part of the Government to alter the price

Dr Zia Uddin Ahmad. In view of the figures given by Pandit Sri Krishna Dutt Paliwal about variation of prices in Agra and Muttra will the Government of India prescribe certain narrow limits within which alone the price should vary and not in so wide a way?

Mr K L Panjabi The Honourable Member's suggestion will be considered

Babu Ram Narayan Singh Will the Central Government allow provincial Governments to fix prices of agricultural products according to circumstances obtaining in different localities?

Sir Pheroze Kharegat The maximum is fixed by the Central Government for the whole province and below the maximum, the price may be fixed for the different districts in accordance with local conditions by the provincial government

Dr. Zia Uddin Ahmad: What is the variation between maximum and minimum?

Sir Pheroze Kharegat: In Lyallpur for instance the minimum is Rs 7 8 0 and the maximum Rs 9-8-0 a maund

ESTABLISHMENT OF CENTRAL SCIENTIFIC RESEARCH INSTITUTE FOR RAILWAY

653. *Seth Govind Das: Will the Honourable the Railway Member please state

(a) if he is aware of the importance of a Central Scientific Research Institute of Railway in this country, the establishment of which his predecessor pleaded for in the 50th Session of Indian Railway Conference Association, and

(b) what steps Government propose to take for its early establishment?

The Honourable Dr. John Matthai: (a) Yes

(b) The Railway Board are preparing a scheme which, it is hoped, will be finalized in time to provide funds for the commencement of construction in 1948-49 In the meantime the research which has been carried out by the Central Standards Office of the Railway Board will continue It is therefore, correct to say that the Railway Department already have a Central Scientific Research Organization, which will be expanded as soon as buildings and personnel become available

Dr. Zia Uddin Ahmad: Is it not a fact that the Railway Board have got a Central Standardisation office?

The Honourable Dr. John Matthai: That is so

ACUTE SCARCITY OF SOFT COKE IN DELHI

654 Seth Govind Das: Will the Honourable Member for Industries and Supplies be pleased to state

(a) whether he is aware of the acute scarcity of soft coke in Delhi,

(b) whether he is aware that even the charcoal that is being supplied is of very poor quality, and

(c) the reasons for the present state of things, and the steps that Government propose to take to improve the supply position?

The Honourable Sri C. Rajagopalachari: (a) Yes, there was considerable scarcity during December, 1946

(b) Yes, much of the charcoal that was being sold was of inferior quality

(c) The scarcity of soft coke resulted from (i) delay in the receipt of supplies due to supply and transport difficulties, and (ii) increased public demand for soft coke in preference to charcoal and firewood, because it is less expensive To meet the situation and to improve stocks, steps were taken to provide supplies on special allotments and the total coal and coke allocation for Delhi for December 1946 was raised from 188 wagons to 286 wagons The position has since eased

As regards charcoal, prices prevailing in certain other Provinces were higher than those fixed for Delhi and charcoal manufacturers supplied inferior charcoal to Delhi and despatched the better qualities to other places To ensure the supply of good quality charcoal to consumers in Delhi, the sale price of good dry charcoal has been increased and it is hoped that the situation will improve

Seth Govind Das: Are Government aware that the charcoal sellers in Delhi make the charcoal wet before selling so that the weight may increase?

The Honourable Sri C Rajagopalachari: We have to get on with all kinds of frauds on the part of traders We cannot help that We have to be vigilant to bring such things to the notice of the authorities

Babu Ram Narayan Singh What steps do Government propose to take to remove these difficulties in the matter of fuel supply?

The Honourable Sri C. Rajagopalachari: I have already narrated the steps taken, and I have already said that the situation has eased now and it will ease still further We have raised the price of good dry charcoal in Delhi in order to lessen the inducements for malpractices on the part of those who deal in charcoal and also to reduce the temptation to export charcoal away from Delhi

Dr. Zia Uddin Ahmad: What steps have been taken to avoid water being mixed?

Mr. President. That has already been replied to

655. *Seth Govind Das: In view of the fact that the question relating to supply of matches has been asked several times in this House I do not want to put Question No 655

PRODUCTION OF NITROGEN CHEMICAL FERTILIZER FROM NITROGEN IN THE AIR

656. *Seth Govind Das: (a) Will the Honourable Member for Industries and Supplies be pleased to state if he is aware of the fact that nitrogen in the air can be used by synthetic processes to produce nitrogen chemical fertilizers at a very cheap rate with the help of hydro electric power?

(b) Have any steps been taken by the Government to produce these fertilizers either on their own initiative or by helping and encouraging private enterprise?

(c) If not, do Government now propose to consider the advisability of encouraging such production?

The Honourable Sri C. Rajagopalachari. (a) and (b) The attention of the Honourable Member is drawn to paragraphs 13 to 26 of the report of the Technical Mission appointed to advise the Government of India on the production of Fertilizers in India After very careful examination of all alternative methods of production including the process indicated by the Honourable Member those who were eminently qualified to come to a decision on the matter concluded that the most economic method we could adopt would be the manufacture of ammonia from coke and its conversion to Sulphate by the Gypsum process They came to this conclusion having regard to the raw materials and the power available in India

(c) Does not arise

IMPORT OF FOODGRAINS THROUGH COMBINED FOOD BOARD AT WASHINGTON

657. *Mr Ahmed E. H. Jaffer: (a) Will the Secretary of the Food Department be pleased to state the quantity of food grains that have been imported into India through the Combined Food Board at Washington for the quarter ending December, 1946?

(b) Has the full quota allotted to India been received?

(c) Has there been any shortage in receiving this quota, and if so, will this shortage be added to the yearly quota of 1947 to be received through the Combined Food Board?

Mr. K L Panjabi: (a) to (c) There was no separate quota of imports for the last quarter of 1946 The International Emergency Food Council, which is the successor of the Combined Food Board, gave India an allocation of 350,000 tons of rice for the six months ending December, 1946 Owing to fall in estimated availabilities, only 266,553 tons of rice were shipped during this period The balance of the quota will ordinarily lapse unless the shipover in shipment is for a short period only As regards cereals other than rice, a yearly allocation from July to June is now made and India's allocation for 1946 47 for all such grains is 23 lakh tons Out of these 1,327,207 tons were shipped to India during the six months ending December 1946

COTTON TEXTILE MILLS IN INDIA

658. *Mr. Ahmed E H. Jaffer: (a) Will the Honourable Member for Industries and Supplies please state the number of cotton textile mills in India at present, giving their number province-wise?

(b) How many new cotton textile mills are going to be started for which sanction has been given by Government for all provinces?

(c) How have these been distributed among the various Provinces and Indian States, stating the number in each Province and each Indian State?

(d) What is the present productive capacity of factories that are working in India at the moment in yardage per year?

(e) What will be the increase in production when the new factories start working?

(f) What precautions have been taken to safeguard the interests of hand loom workers?

(g) Have the Government of India cancelled licences issued to new factories in Madras Province and if so, how will this quota of new factories be distributed in other Provinces?

(h) How many new Textile Mills are going to be started in Bombay Province in 1947?

The Honourable Sri C. Rajagopalachari. (a), (b) and (c) A statement giving the desired information is tabled

(d) 6,300 million yards

(e) About 1,700 million yards a year

(f) The Government of India have directed that at least 25 per cent of the new spindles installed shall be left uncovered by looms, and this amount of yarn will be available for handloom weavers

(g) A communication was received by this Government that the Government of Madras are not interested in the erection of any new power looms or spindles and that they surrender the spindles and looms allotted to Madras The Government of India informed the Madras Government in reply that they could not see their way to cancelling the licences issued for new factories upon the recommendation of the Government of Madras

(h) None, Sir

Statement showing the number of existing and proposed new cotton textile mills in India

Name of Province	Number of existing Mills	Number of proposed new Mills
Bombay	172	Nil
Madras	66	24
Bengal	37	16
U P	30	9
Punjab	8	15
Bihar	2	8
C P & Berar	10	6
Orissa	Nil	4
Sind	Nil	3
Assam	Nil	4
Delhi	6	Nil
Total	331	89

Name of State	Number of existing Mills	Number of proposed new Mills
Kutch	1	Nil
Baroda	8	2
Kolal	3	Nil
Wadhwan	1	Nil
Petlad	2	Nil
Mahuva	1	Nil
Navsari	2	Nil
Bhavnagar	3	1
Porbandar	1	Nil
Miraj	1	Nil
Bhor	2	Nil
Rajkot	1	Nil
Sangli	2	Nil
Jamnagar	2	Nil
Wankaner	1	Nil
Ichalkaranji	2	Nil
Kolhapur	1	Nil
Siddhpur	2	Nil
Nawanagar	Nil	1
Cambay	1	1
Khairpur	Nil	1
Bahawalpur	Nil	2
Kapurthala	Nil	1
Benares	Nil	1
Seraikela	Nil	1
Mayurbhanj	Nil	1
Rewa	Nil	1
Hyderabad	6	3
Mysore	8	2
Travancore	2	4
Cochin	2	3
Nabha	Nil	1

Name of State	Number of existing Mills	Number of proposed new Mills
Pudukkottai	1	3
Gwalior	4	1
Bikaner	Nil	1
Dholpur	Nil	1
Alwar	Nil	1
Palanpur	Nil	1
Rajnandgaon	1	Nil
Beawar	3	Nil
Kotah	1	Nil
Kishengarh	1	Nil
Pali Marwar	1	Nil
Bhilwara	2	Nil
Bijaynagar	1	Nil
Bhopal	1	Nil
Ujjain	2	Nil
Indore	8	Nil
Ratlam	1	Nil
Dewas Junior	1	Nil
Pondicherry (Not a State)	3	Nil
Total	86	34
Grand Total	417	123

Shri Sri Prakasa. Have any of these applicants withdrawn their applications in view of the recent budget proposals?

The Honourable Sri C Rajagopalachari Not yet, probably they are awaiting the discussion on the subject in this House

Mr Sasanka Sekhar Sanyal Is any regional distribution provided for in the matter of location of mills?

The Honourable Sri C. Rajagopalachari Regional requirements were one of the many considerations in the plan

Shri D. P. Karmarkar With reference to part (h), is the Honourable Member aware that repeated requests were made by parties in southern Bombay presidency where cotton grows in abundance for allotment of spindles and that request has been turned down? If so will Government reconsider the position?

The Honourable Sri C Rajagopalachari The Honourable Member's attention may be drawn to this that the question I have answered relates to textile mills and the answer was None, Sir But spindles have been allotted by way of expansion in the existing factories even in Bombay province to some extent

Mr Sasanka Sekhar Sanyal. Is it one of the objectives of the Central Government's plan that provinces should become self sufficient in the matter of cotton mills as far as possible?

The Honourable Sri C Rajagopalachari It is not a problem of provincial self-sufficiency but it is a problem of sufficiency for all India, and the resources available in different regions

Mr Sasanka Sekhar Sanyal Is it not necessary that in order to avoid the extra tariff involved in bringing cotton goods from far off provinces each province should be self sufficient in the matter of cotton mills?

The Honourable Sri C Rajagopalachari In a vast country like India we cannot work mills to the extent of production necessary everywhere, and therefore we cannot avoid transport charges The attempt at self sufficiency is there but it is not the aim

Mr. Sasanka Sekhar Sanyal Which province enjoys greater advantage in the matter of production?

The Honourable Sri C Rajagopalachari It must be taken in two parts, first natural advantages and secondly from conditions resulting from long established industry It will be difficult to deal with this subject in detail in answer to a supplementary question

Mr. Manu Subedar Have Government seen the report of the Cottage Industries Committee appointed by the Bombay Government with regard to the protection of handloom weavers and will the Government of India examine the measures recommended therein with a view to give central help for their adoption?

The Honourable Sri C Rajagopalachari The Government of India have been concerned for a long time in utilising resources by way of handloom production and the Honourable Member's reference to any recent report will also be taken into consideration

EXHIBITION OF TARIFF RATES ON TAXIS IN DELHI

659. *Mr. Ahmed E. H. Jaffer (a) Will the Honourable Member for Transport please state the number of motor cars plying as taxis in Delhi and New Delhi?

(b) Whether Government are aware of the fact that taxis available for hire, charge very heavy rates?

(c) Do Government propose to have meters fitted to every taxi as is done in Bombay and until such time as this is done, to issue instructions for display of tariff rates on the wind screen of the cars as is done in Poona?

The Honourable Dr John Matthai (a) 220

(b) Complaints of overcharging and other offences have been received

(c) Taximeters are not yet available in India The Delhi authorities have tried requiring owners of taxis to display a copy of the fare table on the wind screen of their vehicles but have found this procedure unsatisfactory Drivers are required to carry a copy of the fare table and to show it to any passenger on demand Failure to do so is a punishable offence

Mr. Manu Subedar As the Honourable Member promised to look into the question whether out of the newly arrived vehicles or those disposed of from the army a certain number could not be earmarked for the purpose of being used as public taxis in New Delhi instead of their going into private hands may I know if any progress has been made in that examination?

The Honourable Dr. John Matthai From the figures I have seen there has been an increase of about fifty taxis since last year

Mr. Manu Subedar: Have Government estimated the reasonable requirements of a place like New Delhi at a time when the legislature is sitting and whether the existing number does not fall below the requirements? Will Government consider the question of bringing the number up to requirements?

The Honourable Dr John Matthai: It is rather a difficult question because the demand for taxis in New Delhi is more or less seasonal

Mr Muhammad Nauman As the Honourable Member said that complaints have been received of overcharging, etc , have government taken any drastic action like cancelling licenses or in other ways?

The Honourable Dr. John Matthai: There are two directions in which Government have been examining this matter, first, imposing adequate penalty in the form of suspending permits and the other, making every effort to get taximeters

Mr. Sasanka Sekhar Sanyal Does the G N I T enjoy any privilege in the matter of these taxis plying?

The Honourable Dr. John Matthai I think it enjoys a monopoly in the matter of bus traffic on urban roads in Delhi

Mr. Sasanka Sekhar Sanyal: What about these taxis?

The Honourable Dr John Matthai: I am afraid I cannot answer that question off-hand

Mr Sasanka Sekhar Sanyal Will Government consider the question of allowing private enterprise to bring in motor cars for taxi purposes?

The Honourable Dr John Matthai: I am prepared to have that question examined

Mr. Manu Subedar: Will Government consider the question of giving seasonal licenses to those taxis which are running between Simla and Kalka, and are not wanted during cold weather, and make some effort to increase the number of public vehicles in the capital?

The Honourable Dr John Matthai: I should like to look into it

Dr. Zia Uddin Ahmad: Is the Honourable Member aware that the shortage of transport is not due to lack of motor vehicles but the licensing authority not giving licenses?

The Honourable Dr John Matthai That I think is a matter of opinion

GRANT OF AMENITIES FOR PASSENGERS AT NEW DELHI STATION

660 *Mr Ahmed E. H. Jaffer. (a) Will the Honourable Member for Railways be pleased to state if he is aware of the fact that New Delhi Railway Station offers no comforts to the travelling Public?

(b) Are Government aware that the platform has no roof?

(c) Are Government aware that there are no waiting rooms for the upper and lower class passengers, nor any retiring rooms where passengers who do not find hotel accommodation can stop for the night?

(d) Are Government aware of the fact that there are no English Refreshment rooms, nor Muslim nor Hindu Refreshment rooms resulting in great inconvenience to passengers?

(e) Will Government please state whether there is a cloak room where passengers can keep their luggage in security?

(f) Are Government aware that the Railway authorities at the Station refuse to allow passengers to keep any luggage at the Railway Station?

(g) What steps do Government propose to take to remove these inconveniences to the travelling public?

The Honourable Dr John Matthai: (a) Government are aware that New Delhi station does not at present provide all the usual amenities of a large station

(b) Yes

(c) Yes

(d) Yes

(e) No

(f) In the absence of a Cloak Room it is not possible for passengers to leave their luggage at the station

(g) Provision has been made in the 1947-48 Works Programme for a New Booking Office, Entrance Hall and Waiting Room and the provision of additional amenities is also under consideration

Mr Ahmed E H Jaffer Is the Honourable Member aware that there is a ceremonial platform in New Delhi lying idle for many years, and will he place it at the disposal of the public because henceforth there will be no further ceremonies?

The Honourable Dr John Matthai. I think that is a small part of the problem If the Honourable Member is keen on providing substantial amenities in New Delhi station it should be considered on more comprehensive lines

Dr Zia Uddin Ahmad. Are facilities offered at the New Delhi station in keeping with the position of New Delhi as the capital of India and the traffic which is likely to come here?

The Honourable Dr. John Matthai I find it difficult to answer the question since it involves a numbers of assumptions

RECRUITMENT OF OUTSIDERS TO NEW POSTS OF ASSISTANT SURGEONS ON E I RAILWAY

661. *Mr Nagendranath Mukhopadayay: Will the Honourable Member for Railways please state if he is aware of the fact that the East Indian Railway Administration has created posts of 14 Assistant Surgeons in that Railway and outsiders have been recruited to those posts overlooking the claims of senior Sub-Assistant Surgeons who put in over 25 years service in that Railway?

The Honourable Dr John Matthai. Government are informed that 14 posts of Assistant Surgeons have been created on the E I Railway and that these have been filled by the recruitment of outsiders Cases of senior Sub-Assistant Surgeons already in service were considered but none of them was found to possess the qualifications prescribed for promotion to the Assistant Surgeon's grade In this connection, I would invite the Honourable Member's attention to rule 62 of Appendix II to the State Railway Establishment Code, Volume I, (as amended by correction slip No 566), a copy of which is in the Library of the House

ARTICLE ON INDIAN TEXTILE INDUSTRY BY SHRI K DESAI IN *Harijan*

662. *Shri D P Karmarkar Will the Honourable Member for Industries and Supplies be pleased to state

(a) whether the attention of Government has been drawn to an article titled "Indian Textile Industry" by Shri Khandubhai Desai and the Editorial note thereon in the *Harijan*, dated January 19, 1947,

(b) whether the Indian Textile Industry is a concern of only about 150 firms

(c) whether it is a fact, that the mill-agent's policy has resulted in high prices out of all proportion with the cost of manufacture, and

(d) whether Government propose to set up an independent Enquiry Committee in respect of the matters referred to in sub-paras (b) and (c)?

The Honourable Sri C. Rajagopalachari. (a) Yes, Sir

(b) No, Sir There are 431 cotton textile mills in India, run by about 325 managing agents

(c) I can well believe that some managing agents have made very high profits during the war, more particularly before the Government of India instituted price control in 1943 But it is not correct to say that the present controlled cloth prices are out of all proportion to the cost of manufacture On the contrary, the ceiling prices fixed are arrived at on the basis of the various factors which go to make up the cost of manufacture

(d) Yes, Sir, Government have decided to set up an enquiry committee to examine cloth prices.

Mr Manu Subedar Have Government seen a pamphlet issued by Mr Khandhubhai Desai, Secretary of the Ahmedabad Mill Labour Union, in which he examines the position of the textile industry and the allegations and replies between him and the Bombay Millowners' Association ? And will they consider that when this inquiry is held?

The Honourable Sri C Rajagopalachari: Yes, Sir, Government's attention was drawn to the article that was referred to in the primary question and also to the reprints thereof and also to the vigorous refutations of the charges on the part of textile producers and the comments in the leading journals dealing with such subject-matter And Government will certainly take the comments and the data given there as well as other matters when re examining and fixing the cloth prices

Mr. Muhammad Nauman: Are Government aware that these managing agents have various methods of making profits out of mill production, by appointing monopolist agents for fents and cut-pieces of the mills and appointing their own selling agents with whom they have secret arrangements?

Mr President: Order, order, that is full of inferences and insinuations What is the information which the Honourable Member wants?

Mr. Muhammad Nauman: I want to know if Government are aware that managing agents have different methods of monopolising profits of the trade over and above their commission, *e g* , appointing monopolists

Mr. President: The Honourable Member need not refer to the methods because they are inferential He can only ask the first part of the question

Mr Muhammad Nauman: Are Government aware of these practices?

The Honourable Sri C. Rajagopalachari I would ask the Honourable Member to give me a precise summary of the various frauds which he thinks have been committed and I shall have the matter examined

Dr. Zia Uddin Ahmad: Has the Honourable Member seen articles in the press about corrupt practices of managing agents, which were also quoted by me on the floor of the House?

The Honourable Sri C Rajagopalachari We all want cloth and we want the cloth to be made, and in the present economy they are made by managing agents We cannot get rid of them, and let us educate the managing agents not through questions here but through more concrete efforts in the matter

GOVERNMENT'S PLAN FOR POST-WAR RE CONSTRUCTION

†**663. *Mr. Vadilal Lallubhai**: (a) Will the Honourable Member for Industries and Supplies please state how many panels were appointed by the Government of India for various industries for planning post war schemes as a result of Government's plan for post-war reconstruction?

†Answer to this question laid on the table, the questioner being absent

(b) When were these panels appointed?

(c) How many of these have submitted their reports and when?

(d) When are the remaining panels expected to submit their reports to Government?

(e) What action have Government taken on the reports that have been already submitted? As a result of such action, how many new industries were started in India? And in the case of existing industries what progress has been recorded as a result of the reports of the panels?

The Honourable Sri C. Rajagopalachari. (a), (b) and (c) Nineteen panels have already reported

A statement is placed on the table showing (i) the Panels appointed by Government, (ii) the dates on which they were appointed, and (iii) the Panels that have submitted their reports and the dates of submission

(d) The Panels on Iron & Steel (Minor), Leather & Leather Goods, Oils and Soaps, Machine Tools, Refractories & Ceramics, Electrical Machinery & Equipment are expected to complete their work and submit reports by 31st March 1947

The Reports of the Panels on Prime Movers and Shipbuilding & Marine Engineering might be delayed by 3 4 months from now

It is not possible to say at present when the Panels on Light Engineering Industries & Scientific Instruments will be able to report

(e) The recommendations of the Panels are under examination in consultation with the various Departments No new industry has yet been started as a result of action taken on the Panel Reports, but it is believed that the Reports will be of material help to the Government and the industries concerned

List of Industrial Panels	Date on which appointed	Date of submission of Final Report
1 Iron & Steel (Major)	10th January, 1945	13th April, 1946
2. Iron & Steel (Minor)	10th January, 1945	
3 Leather & Leather Goods	8th March, 1945	Not ready
4 Hosiery	8th March, 1945	28th August, 1946
5 Coir, rope, cordage and other fibre industries	8th March, 1945	11th October, 1946
6 Non Ferrous Metals	13th March, 1945	20th March, 1946
7. Electro Chemicals	8th March, 1945	11th September, 1946
8 Heavy Chemicals	10th March, 1945	11th September, 1946,
9 Glass	10th April, 1945	13th December, 1946
10 Sugar, Alcohol and Food Yeast	10th April, 1945	13th March, 1946
11. Soaps & Oils	10th April, 1945	Not ready

	List of Industrial Panels	Date on which appointed	Date of submission of Final Report
12	Machine Tools	10th April, 1945	Not ready
13	Paper, Pulp, Wood Pulp, Chemical Cotton, Paste Boards, Straw Boards, etc	10th April, 1945	3rd December, 1946
14	Refractories & Ceramics	10th April, 1945	Not ready
15	Shipbuilding & Marine Engineering	16th April 1945	Not ready
16	Light Engineering Industries	18th May, 1945	Not ready
17	Paints and Varnishes	23rd May 1945	5th November 1946
18	Silk	1st June, 1945	15th October, 1946
19	Wool	1st June 1945	11th January 1947
20	Readymade Clothing	28th August, 1945	10th January, 1947
21	Rayon & Artificial Silk	30th August, 1945	15th December 1946
22	Industrial Plant & Machinery	2nd August 1945	5th February, 1947
23	Automobiles & Tractors	24th August 1945	10th February 1947
24	Fine Chemicals, Drugs and Pharmaceuticals	24th August, 1945	3rd January 1947
25	Scientific Instruments	27th August, 1945	Not ready
26	Electrical Machinery & Equipment	18th September, 1945	Not ready
7	Prime Movers	19th October, 1945	Not ready
8	Plastics & Celluloid	28th January 1946	13th December 1946
9	Planning Committee for Cotton Textiles (Textiles Panel)	February 1945	15th November, 1945

CHANDAUSI SCHOOL FOR STAFF TRAINING OF THE E I RAILWAY

664 ***Mr. Nagendranath Mukhopadhyay** (a) Will the Honourable Member r Railways please state whether Government are aware of the fact that there a school at Chandausi for training the staff of the East Indian Railway but a' there is inconvenience in regard to their boarding and lodging?

(b) Do Government propose to consider the desirability of improving the rangements in that school and adopting methods for training the staff on e same lines as in other Railways in India?

The Honourable Dr John Matthai (a) The E I Railway have a school at andausi for training their staff Government do not consider that the ging arrangements at the Chandausi School are in any way unsatisfactory regards boarding arrangements Government have received no complaints m the staff, but the Railway Administration have found the working of the sent catering contractor at the school unsatisfactory and are negotiating for appointment of a new contractor

(b) Apart from what I have said in my reply to part (a) in regard to messing arrangements, Government do not consider that other arrangements in the school call for immediate improvement As regards methods for training the staff, Government consider that the training given in the Chandausi Training School compares favourably with that given on other Railways in India Government are, however, considering, as a postwar measure, the general question of placing the technical training of railway servants on all Indian Government Railways on a better footing It is expected that, as a result of the scheme, the activities of the Chandausi School will be extended, involving the general improvement and enlargement of the School in all its branches and functions

PRODUCTION OF CEREALS IN INDIA

665 ***Dr. Zia Uddin Ahmad.** (a) Will the Secretary of the Food Department be pleased to state if it is a fact that the total production of cereal in India is nearly 60 million tons?

(b) Is it a fact that the total consumption of India is 40 million tons allowing on an average of 6 oz per head for the population of 410 millions?

(c) Is it a fact that allowing 2½ million tons for import and reserving 7½ million tons for seeds, there is a surplus of 15 tons of food stuff per annum?

Mr. K L Panjabi: (a) The average annual production of cereals in India in the five years ending 1944 45 was 58 7 million tons

(b) No, Sir

(c) No, Sir India is deficit in foodgrains

Dr Zia Uddin Ahmad: In replying to part (b) in the negative did the Honourable Member make the calculation himself because it is a question of simple arithmetic?

Mr. K. L. Panjabi. Yes, Sir

DISPOSAL OF ANNUAL SURPLUS OF FOODSTUFFS IN INDIA

666. ***Dr. Zia Uddin Ahmad** (a) Will the Secretary of the Food Department be pleased to state how the annual surplus of 15 tons of foodstuff in India is disposed of?

(b) Are Government aware that cultivators feed their cattle on wheat, gram and barley and sell chari, which is now sold at Rs 4 per maund, to non-agriculturists?

Mr K L Panjabi: (a) As there is no surplus of foodgrains in India, the question does not arise

(b) Government are aware of the fact that cattle have always been fed partly on gram or barley and partly on *chari* in order to provide them with concentrates as well as roughage Government have no information that wheat is being used for this purpose In view of the comparative prices of wheat gram, barley and *chari* it is unlikely that wheat would be used for this purpose

Dr Ziauddin Ahmad: With reference to part (a) of the question may I repeat what I said on the floor of the House that the shortage exists only in the Food Department of the Government of India and not in the country?

Mr President: Order, order, that is only an expression of opinion

FAILURE OF SCHEME OF COMPULSORY ACQUISITION OF FOODSTUFFS

667. ***Dr Zia Uddin Ahmad:** (a) Will the Secretary of the Food Department be pleased to state if it is a fact that the scheme of compulsory acquisition of food stuff has failed?

(b) If so, do Government propose to give up the controls?

Mr. K. L Panjabi. (a) No, Sir

(b) Does not arise

GRANT OF NEWSPRINT TO NEW NEWSPAPERS

668. *Mr Sasanka Sekhar Sanyal: Will the Honourable Member for Industries and Supplies be pleased to state

(a) province by province, the number and names of new newspapers (including dailies, bi weeklies, weeklies, fortnightlies, monthlies and other periodicals) together with the names of the Editors and Proprietors thereof which were granted permission by the Government of India during the period from the 2nd of September 1946 to the 31st of December, 1946, in the matter of newsprint and other paper,

(b) the number of applications which were rejected in regard to the same matter during the said period,

(c) the general principles adopted by Government in the matter of granting or rejecting such applications, and

(d) when Government expect to make newsprint and other paper freely available for all enterprises in the field of Journalism?

The Honourable Sri C Rajagopalachari (a) A statement giving the required information so far as it is available is laid on the table

(b) The number of applications for permission to publish new newspapers and periodicals has been very large but on account of the shortage of both newsprint and paper only a very few of these have been granted and the rest have been refused Collection of the information under head of refusal will involve an expenditure of time and labour which Government do not consider justified

(c) In view of shortage of paper permission to start a new newspaper or periodical has in the past been given only in exceptional cases *e g* if it represents views of an important political party or group or advocates policy which is not already represented in adequate measure or is otherwise likely to serve a very useful purpose

(d) As announced in the Press Note issued on the 14th February 1947, a copy of which is in the Library, it has already been decided to relax the control on the acquisition and consumption of newsprint with effect from the 1st April 1947 from which date there will be no restriction on the starting of dailies weeklies or monthlies on newsprint The free market will therefore be available a month hence In view however of the difficult situation as to ordinary paper restrictions on the starting of new journals on paper other than newsprint cannot be removed

List of newspapers and periodicals which were permitted to start publication on paper other than newsprint after the 2nd September 1946 upto 31st December, 1946

S No	Name of newspaper or periodical	Periodicity	Name of party to whom permission was granted	Date of orders
1	2	3	4	5
		Ajmer Merwar		
1	The Pravasi	Monthly	Bhawani Dayal Sannyasi Esq Pravasi Bhawan, Ajmer	25-11 46
		Assam		
1	Weekly Journal .	Weekly	Haridas Deka Esq , Paragati, Prakash, Gauhati	17-9 46

1	2	3	4	5
2	Weekly Journal	,,	Debeswar Sarma Esq Speaker, Assam Legislative Assembly, Shillong	30-9 46
3	Weekly Newspaper	,,	The Managing Proprietor Deka Assam Weekly, Gauhati	27 12 46
4	Jagaran	Monthly	Biswa Dev Sarma, President, All Assam Students' Union, Gauhati	25 10 46
5	Arun	,,	Mahadev Sarma Esq Chairman, Local Board, Tezpur	23-10-46
6	Surhid	,,	Secretary All India R M S & Postal Union, Cachar Branch Silchar	18-11-46
		Bengal		
1	Ittehad	Bi weekly	The Editor, Ittehad, 19, Machua Bazar Street, Calcutta	9 9-46
2	Sandhya	Weekly	Barindra Kumar Ghose 32/A, Ramkanta Street, Calcutta.	1 10-46
3	Auctioneer	,,	R E Baptiste Esq, 98, Elliot Road, Calcutta	12-12-46
4	Abhyudaya	,,	Satya Priya Banerjee Esq Calcutta	16-12 46
5	Caterer	Monthly	The Editor, The Caterar of India, Burma & Ceylon, 19-A, Chowringhee Mansions Calcutta	12 9-46
6	Adhunik Chikitsa	,,	Dr P Chatterjee 37, Middle Road, Calcutta	13 9 46
7	International Medical Abstract & Reviews	,,	Dr Jyoti Dhar B Sc M B 34, Alipore Road, Calcutta	13 9 46
8	Jayashree	,,	Mrs Leela Roy ,47/A, Rash behari Avenue, Calcutta	21 11 46
9	Quarterly Journal	Quarterly	The President, Indian Psycho Analytical Society, Calcutta	19 12 46
10	School Magazine	Four Monthly	The Headmaster, Municipal High School, Burdwan	29 10 46
11	School Magazine	Half Yearly	The Teacher in-Charge, Magazine Committee, Brishal, 24 Parganas	7 9-46
12	Dunlop Indian Gazette	,,	D J Keymer & Co Ltd, 5, Council House Street, Calcutta	18 9 46
13	Sino Indian Cultural Journal.	,,	Tan Yun Shan Esq, Santiniketan.	11-10 46

1	2	3	4	5
14	Alok .	Half yearly	The Secretary, Magazine Committee, Kandapara N N H E. School, Khulna.	18-11-46
15	The Review of Tropical Diseases.	Two Yearly	N. G Majmudar Esq , 29, Chakrabere Lane, Elgin Road, Calcutta	1-11 46
		Bombay		
1	Toiler's Front	Weekly	B D Choksi, Esq , 302/C, Vithalbhai Patel Road, Bombay	4-9-46
2	Sanghasakti .	Weekly	P. H Patwardhan, Esq , Editor, Sanghasakti, Ahmednagar	12 9 46
3	Udaya . . .	Do	A. J Ambli Esq Bijapur, Bombay	10 10 46
4	Kedut . .	Fortnightly .	G S Patel Esq , Tabika Development Association Anand	30 9 46
5	Pravinaya . . .	Monthly	K M Tamhankar Esq , Pravinya Karyalaya, 239, Girgaon Road, Bombay	12 9 46
6	Narsinha . . .	Do.	H S Patil Esq , 130, Shivaji Park, Bombay 28	12 9 46
7	Upa Commercial Service	Do	The Business Manager, United Press Association, 1st Floor Mubarak Manzil, 110 St Fort, Bombay	14 9 46
8	Marathi Journal . .	Do	The Manager, Sulabha, Rashtriya Granthmala, Tilak Road, Poona 2	21 9 46
9	Pragati . . .	Do	Shantilal M Patel, C/o Chhotelal G Doctor, No 4, Tradeo, Bombay	21 10 46
10	Bharatiya Vidya Patrika	Do .	The Honorary Registrar, Bharatiya Vidya Bhavan 33-35, Hornby Road, Bombay	15 11 46
	Pratibha . . .	Do. .	U S Mohan Rau Esq., 267, Hornby Road, Bombay	25 11-46
12	School Journal	Annual	The Headmaster, Pioneer High School, Anand, Bombay	12 9 46
13	Do . . .	Do.	Rev H Dalton S. J , St Mary's High School, Bombay 10	24-9 46
14	Khalsa .	Do .	The Principal, Khalsa College, King's Circle, Bombay.	21 10 46

1	2	3	4	5
		Bihar		
1	Al Hilal	Daily	Syed Amirul Hasan, Esq., Bankipore, Patna	5 9 46
2	Chota Nagpur Darpan	Weekly	Marganji Esq, Adimjyosti Sewa Mandal, Hatia, Ranchi	11 9 46
3	Janata . .	Do	Rambrkash Benipur, Esq, C/o The Pustak Bhandar, Govind Mitra Road, Patna	21 10 46
4	Parkash	Do .	Gauri Sahnakar Dalmia, Jasidih	22 10 46
5	Ghareeb ki Dunya .	Do.	Zainul Abedin Ansari, Esq, Bankipore, Patna.	25 10 46
6	Mukti, Manbhum	Do	Arun Ch. Ghose, Esq, Purulia	7 12 46
7	Chhotanagpur Voice	Do	Satya Deo Sahu, Esq, Grumodyog Karyalaya Ranchi	23-12 46
8	New Light	Do	Mansoor Ahmed, Esq, 14, Church Road, Ranchi	23 12 46
9	Monthly Journal	Monthly	The Hony Secretary Bihar Chamber of Commerce, Patna	9 9 46
10	Marsaltabon	Do	Rev Fr J Portalli, Tinpahar, Santal Parganas	26 10 46
11	Sohail	Do	M Z Abedin Esq, Gaya	27 12 46
12	Eastern Educationist	Do	The General Secretary, Bihar Secondary School, Patna	31 12 46
13	Coalfield Times	Do	The Publisher The Coalfield Times, Dhanbad	31 2 46
		Central Provinces and Berar		
1	Dominion Law Reporter	Weekly	Rao Bahadur D D Datar Advocate, 341 Tikkekar Road, Dhantoli, Nagpur	3 9 46
2	Inkalab	Do	S S Barlinge Esq, Minister of Public Health, Nagpur	4 10 46
3	Vindhya Kesari	Do	M/S J P Jyotishi & P N Telang, Bhuttonghat, Saugor	23 10 46
4	Lok Sewa	Do	G B Awasthi Esq., Prop Lok Sewa, Sundar Bandhu Press Jubbulpore	30 10 46
5	Nagrik	Do	C J Pathak Esq, Nagpur	2-12 46
6	Kastar	Bi weekly	Sukhdev Aggarwala Esq, Ex Vice President, Municipal Committee, Gondia	18-9 46

1	2	3	4	5
7	Fortnightly Congress Bulletin.	Fortnightly	Seth Govind Das M L A Jubbulpore	21 12 46
8	Greater Nagpur	Monthly	The Chairman, Improvement Trust Nagpur	14 10 46
9	Mahila Ashram Patrika	Quarterly	Organising Secretary Mahila Ashram	19 9 46
10	Educator	Do	The Principal University Training College, Nagpur	15 11 46
11	Arya Sandesh	Do	The Principal Govindram Seksaria College Wardha	7 12 46
12	School	Do	The Principal Spence Training College Jubbulpore	20 12 46
		Delhi		
1	Federalist	Weekly	Dr R U Singh Delhi University Delhi	6 9 46
2	Liberator	Do	Giani Kartar Singh M L A 168 Wellesley Road Delhi	23 11 46
3	Dost	Fortnightly	Khan Elias Ahmed Majbi, Delhi	16 12 46
4	Glimpses	Monthly	Krishna Gopal Esq Hardinge Library Delhi	11 10 46
5	Leela	Do	Miss Sarda Hamid 26 Prithviraj Road, New Delhi	17 10 46
6	Indians Abroad	Do	G L Kapur Esq P O Box No 110 Kashmere Gate Delhi	19 10 46
7	Monthly Journal	Do	S A Hussain, Editor Rahbari Dehat, Delhi	30 11 46
8	Physics	Quarterly	Dr D S Kothari, Delhi University Delhi	6 9 46
9	Anand Parwat	Do	The Principal, Ramjas College, Delhi	22 10 46
		Madras		
1	Yuvajana	Weekly	The Managing Director, Prakash Printer & Publishers Ltd Bezwada.	11 10 46
2	Pakistan	Do	M A Sulani Esq President, District Muslim League, Guntur	19 9 46
3	Jai Hind	Do	M Venkataraju, Esq, Guntur	22 10 46
4	Navjeevan	Do	Mrs B Adilakshmy Murthy, Publisher, 11, Uruthcanttan St Madras	2 11 46

1	2	3	4	5
5	Suthantharaveeran	Weekly	J. P Redrigue Esq, Prop, The Suthanthraveeran, Press, 2/141, Brodway Madras	4 11 46
6	Malayalam	Do	M G Menon Esq, Madras.	20-11 46
7	Illustrated Weekly (Jaya Bharat)	Do	M Annapurniah Esq, Member All India Congress Committee, Rajahmundry	20 11 46
8	Andhra Pracharini	Do.	Sri B S Narayan Rao, Coconada	30 11 46
9	Bharata Mitram	Do.	Rev S Aruliah, Secy to the Bishop (S I)	10-12 46
10	Munnetram	Do	The Manager, Munnetram, Tirunelvelipetai	12 12 46
11	Jawala	Do	T K Ramchandra Esq, Kurnool Town Madras	16 12 46
12	Andravathi	Do	Vanam Sankara Sarma Pallikonda, Kurnool District, Madras	17 12 46
13	Sharo Market	Fortnightly	Chitra & Co 110/111, Armenian St, Trichinopoly, Madras.	4 9 46
14	Tamil Murasu	Do	I P Sivagnana Gramier 233 Linghi Chetty St, Madras	10 10 46
15	Gram Sevai	Monthly	M K Subramaniam, Esq, 27, Thambiah Reddy Road, Thyagaryanagar, Madras	12 9 46
16	Silpi	Do	V R Chitra Esq, Editor, Silpi Mount Road, Madras	18 9 46
17	Hindi Patrika	Do	The Secretary, Tamil Nad Hindi Prachar Sabha, Trichinopoli	27 9 46
18	Vishalandhra	Do	Prathapa Ramasubbayya, Esq, Brodiapet, Guntur	10 10 46
19	Navayuga	Do	Sr K Adwaitha Parabrahma Sastry 146, Sivaliyam St Guntur	19 11 46
20	Magazine Tamil & Telugu	Do	The Provincial Organising Commissioner, 2, North Mada St Mylapore.	26 11 46
21	District Scouting	Do.	The Hony Joint Secy, The Madras District Hindusthan Scout Association Madras	26 11 46

1	2	3	4	5
22	Anasuya	Monthly	Sri V V L Prabhakar Triplicane Madras	29 11 46
23	Samata	Do	V Sadanand Esq Madras	14 12 46
24	The Lawyer	Do	The President Provincial Bar Federation Madras	18 12 46
25	Helpers Through Prayer	Quarterly	The Treasurer The Council of the Ind a M ss on of the Un ted Church in America et Guntur	19 10 46
26	The Indian Journal of Radiology	Do	Rao Bahadur Dr P Rama Rau D W P The Indian Rad ology K lpauk	26 10 46
27	Journal of Government School of India Medicine.	Do	The Secretary to the Govern ment of Madra Edu a t on & Publ c Health Deptt St George Madras (Paper to come out of Civil an quota)	16 11 46
28	Journal of Poetry	Do	S Srinivasa Rao Secy Andhra Progre s ve Wri ter s Association Myla pore	26 11 46
29	School Magazine	Annual	Rev Mother Super or St Thomas Con ent Myla pore	17 10 46
3	A A & Service Annual	Do	The Prop A A & Service 6 Sunkurama Chetty St Madra	17 12 46
		Orissa		
1	Monthly Journal	Monthly	The Secretary All India Sp nners Asso iation, Utkal Branch Cuttuck	22 10 46
		Punjab		
1	Tanzin	Weekly	Hon ble Dewan Bahadur S P Singh a Speaker Punjab L A Lahore	10 10 46
2	Hariana Tilak	Do	Pt Shri Ram Sharma Rohtak	18 10 46
3	Khadi Patrika	Do	The Ed tor Kh adi Patrika Jullundur Ci y	18 10 46
4	Cantonment Gazette	Monthly	The Hony Secretary All India Cantonments Asso ciat on Lahore Cantt	25 10 46
5	Monthly Magazine	Do	A J Kardar Esq Akhtar Lodge Gunj Bux Road, Lahore	28 10 46
6	Nargis	Do	Hameed Ali, Esq 1282 Chabuk Sawran Lahore	19 11 46
7	Monthly Bulletin	Do	The General Secretary, The Boy Scouts Asso iation, in India N W R Branch, Lahore	21 11 46
8	Punjab Geographical Review	Half yearly	Prof E T Dean Foreman, Xian College, Lahore	31 12 46

1	2	3	4	5
		Sind		
1	Harijan	Weekly	Shewak Ram Karam Chand Esq, Joint Secretary, Gandhi Sahitya Mandal, Sukkur	30 11 46
2	Electro News	Monthly	The Hony General Secy, Indian Radio Society, Karachi	11 10 46
3	Annual Journal	Annual	The President, Sind Science Research Society, Karachi	26 9 46
		United Provinces		
1	Prabhat	Weekly	R A Pandey, Esq, Prabhat Press, Ballia	7 9 46
2	Bebaak	Do	The Editor & Prop, Bebaak Weekly, Saharanpur	12 9 46
3	Congress	Do	S M Jafar, Esq, 45, Newal Kishore Road, Lucknow	16 9 46
4	Light House	Weekly	Ram Gopal, Esq, III/115, Ganj st, Meerut Cantt	10 10 46
5	Vijaya	Do	The Manager, Sharma Machine Printing Press, Moradabad.	23 10 46
6	Weekly Journal	Do	Mr Prem Kishen Khanna, Shahjahanpur	22 11 46
7	Nanital Gazette	Do	The Managing Prop, Nanital Gazette	2 12 46
8	Students Herald	Do	Mr Narendra Kr Goyal Sri Kashi Vidyapith, Benares.	3 12 46
9	New India	Fortnightly	Rohit Mehta Esq, Joint Editor, Benares	21 10 46
10	Viplava	Monthly	The Editor, Viplava Karyalaya, Lucknow	8 11 46
11	Roshni (Eng) Lucknow	Do	The Hony General Secy, Association of the All-India Women's Conference, Bombay 26	3 12 46
12	Nayee Roshni	Do	Miss Nazma Sultana, Lucknow	6-12 46
13	Janavani Benares Cantt	Do.	Acharya Narendra Deo, Esq, M L A, 14 Kashi Vidyapith, Benares	27-12 46
14	Palaeobotany	Quarterly	B. Sahni, Esq., Prof of Botany and Dean, University of Lucknow.	6 11 46
15	College Magazine	Annual	Shyama Ch Misra, Esq., Principal, Kanyakubja College, Lucknow	28 11 46

List of newspaper and periodicals which were permitted to start publication on newsprint after 2nd September 1946 upto the end of December 1946

PART II

S No	Name of newspaper	Province	Name of Party	Periodicity	Date of orders
1	2	3	4	5	6
1	Nava Jyoti Ajmer	Ajmer	D P Chaudhry	Daily	6 12 46
2	Nya Rajasthan	Do	Ram Narayan Chaudhry	Do	30 11 46
3	Ittihad Calcutta	Bengal	Ittihad Printing and Publishing Co Ltd Calcutta	Do	27 11 46
1	Nava Rashtra Patna	Bihar	Dev Brata Shastry Patna	Do	18 10 46
2	Rashtra Sandesh Purnea	Do	Kamal Dev Narain Sinha	Weekly	31 10 46
1	Navyug Bubli	Bombay	T R Naswi M L A	Daily	26 10 46
2	Free India	Do	Akhil Bharat Ltd	Do	28 10 46
3	Swadesh Nasik City	Do	G G Sudankar	Bi weekly	28 11 46
4	Rajasthan Kesari Ahmedabad	Do	Rishi Dutt N Mehta	Weekly	8 10 46
5	Jagrati Bombay	Do	Organisation of All India Women's Conference	Do	16 10 46
6	Flag of Freedom Bombay	Do	B G Harnimman	Do	28 10 46
7	Begum Bombay	Do	Mrs Violet Elva	Monthly	16 10 46
1	Sewak Akola	C P	Mr M R Thosar	Weekly	21 10 46
1	Aljamiat Delhi	Delhi	A I Jamiat Ulema	Daily	19 10 46
2	English Daily	Do	Dr Syed Hussain	Do	18 10 46
3	Dastur Delhi	Do	Azzul Rahman	Do	28 10 46
4	Al Bilal Delhi	Do	S Mahbub Hussain	Do	29 10 46
5	Greater India New Delhi	New Delhi	K J Jacob	Daily	19 11 46
6	Hurriyat Weekly	Delhi	Aziz Hasan Baqai, Delhi	Weekly	1 10 46
1	English Daily, Madras	Madras	K T M Ibrahim	Daily	23 9 46
2	Vinochaman Madras	Do	M S da Sivam	Do	21 10 46
3	Tamil Weekly Madras	Do	Allah Pachaya	Weekly	8 10 46
4	Grama Swarajam, Madras	Do	Sri Venkata Kesha nayya	Do	4 11 46
5	Grih Lakhmi, Madras	Do	Seshagiri Rao	Monthly	4 11 46

S No	Name of newspaper	Province	Name of Party	Periodicity	Date of orders
1	2	3	4	5	6
1	Abu Kalam, Peshawar	N W F P	Mr Yunus	Daily	7 10 46
2	Sidaqat, Peshawar	Do	Syed Gul Badshah	Weekly	16 10-46
1	Bande Matram, Lahore	Punjab	Mohan Singh Sahni	Daily	16 9 46
2	Siyasat, Lahore	Do.	S M Habib	Do	29 9 46
3	New India, Lahore	Do	Yodhraj	Do	28 9 46
4	Ranjit, Lahore	Do	Northern India News paper Ltd	Do	1 10 46
5	Jai Hind, Lahore	Do	Mr Virendra	Do	19 10 46
6	English Daily, Lahore	Do	Seth Sudershon	Do	19 10 46
7	Log, Lahore	Do	All India Ahrar Party (Aziz Ur Rehman)	Do	26 10 46
8	Punjab, Lahore	Do	Provincial Jat Maha sabha, Punjab	Do	14 11 46
9	Filmo, Lahore	Do	Anant Singh	Fortnightly	15 11 46
1	Hilal Pakistan, Hyder bad	Sind	Muslim League	Daily	14 10 46
2	New Sind, Karachi	Do	Abbasi Publication	Weekly	8 11 46
1	Prakash Daily, Agra	United Provinces	M L Kela	Daily	25 9 46
2	Sangarsh, Lucknow	Do	Damodar Swarup Seth	Weekly	11 11 46
3	Prem Brindaban	Do	Raja Mohinder Pratap	Monthly	25 9 46

THUMB IMPRESSIONS IN THE OFFICE OF REGISTRARS AT DELHI

669. *Shri Sri Prakasa: Will the Honourable the Law Member be pleased to state

(a) whether Government are aware that even highly educated non-official Indians are required to put their thumb impressions in the offices of the Registrars at Delhi when they go to register documents,

(b) whether Government are aware that the Registrars do not insist on such thumb impressions in the case of officials and non-Indians,

(c) whether Government are aware that the Provincial Governments have exempted educated persons from the necessity of putting their thumb impressions in such cases, and

(d) whether Government propose to introduce a similar procedure in the centrally administered areas and permit the putting of signatures only?

The Honourable Mr. Jogendra Nath Mandal: (a) and (b) Practice in Delhi is governed by an executive instruction of the Inspector-General of Registration for the Punjab and Delhi This instruction requires Registering Officers to

take the thumb impression of any person who presents a document for registration but empowers them in their discretion to relax this requirement in the case of ' any person who is fully literate and of good standing '. There is no distinction between officials and non-officials and Indians and non-Indians as such

(c) and (d) I have no information of the rules or practice in force in Governors' Provinces other than the Punjab, but I am prepared to institute enquiries with a view to consider whether any action is required in respect of Chief Commissioners' Provinces

Shri Sri Prakasa: May I take it that the Honourable Member is satisfied that the rule now in force is in keeping with the general ideas of the country?

The Honourable Mr. Jogendra Nath Mandal: That is a matter of opinion, but under the rule discretion has been given to the registering officer to exempt any person who is literate and who can clearly read the document to be registered So I feel that the existing practice is all right

Shri Sri Prakasa In view of the fact that these registering officers invariably exercise their discretion in favour of officials and non-Indians in the matter of taking thumb impressions and invariably exercise their discretion against non officials who are forced to give their thumb impressions, will the Honourable Member not follow the Punjab practice but issue orders that in his own province of Delhi and the provinces administered by him, thumb impressions shall not be taken in the case of educated people?

The Honourable Mr. Jogendra Nath Mandal: The practice prevailing in the Punjab is followed here in Delhi too Sufficient discretion has been given to registering officers, but if there is any complaint of the nature now made by the Honourable Member, I am prepared to make an inquiry and put things right

Shri Sri Prakasa Is there any section in the Government of India Act which forces the Honourable Member to follow the Punjab in this matter? If not, will he take steps in this behalf immediately?

(No reply was given)

Lala Deshbandhu Gupta: May I know if the same practice exists in the U P and other provinces, if not, why cannot the Honourable Member follow the U P and such other provinces where that practice is not followed?

The Honourable Mr Jogendra Nath Mandal As I said, I am not aware of the practice prevailing in other provinces except the Punjab If the Honourable Member so desires, I and prepared to make an inquiry and see that a uniform practice is followed in all provinces

Shri Sri Prakasa: Will the Honourable Member stop the practice at once in Delhi? That is my specific question

The Honourable Mr Jogendra Nath Mandal: From the attitude of my Honourable friend it appears that the practice is really in vogue in Dehi I will make an inquiry into the matter and put things right as early as possible

Licences for Factories for Jam Manufacturers in Benares

670. *Shri Sri Prakasa: Will the Secretary of the Department of Agriculture be pleased to state

(a) how far the Fruit Product Control Order has been put into operation,

(b) whether it is a fact that the Fruit Development Adviser to the Government of India, has notified a large number of small manufacturers of jam in Benares, that their factories are not suitable and that their licences would be cancelled,

(c) if so, whether Government are aware that such action will be harmful to jam-making industry as a household industry, and

(d) whether Government propose to consider the desirability of revising their orders?

Sir Pherose Kharegat: (a) This Order came into force from the 1st July 1946, and is designed to improve the hygienic conditions under which fruit products are manufactured, and to improve their quality In order to avoid hardship, even those manufacturing under unsatisfactory hygienic conditions have been licensed temporarily and given time to improve their premises Such improvement has already been effected in a number of cases while in others time has been allowed for the same till the 31st March Work on quality control has been taken up recently and samples of fruit products are being collected for analysis

(b) Nine factories at Benares have been licensed Of these, the premises of one are considered satisfactory and those of the other eight are reported to be unfit for the manufacture of fruit products They have been asked to shift to better localities by the 31st March, 1947 These premises will be visited again in order to see if they can be improved to a reasonable extent to permit of the production of fruit products under reasonably hygienic conditions

(c) No Sir The making of jams for household consumption is not affected by the Order All that is required of small manufacturers is clean premises, capable of hygienic production of fruit products of prescribed quality, so that they may not endanger the consumers' health and life

(d) The Order provides for an appeal to a tribunal and each case will be decided on its merits

Shri Sii Prakasa: Will the Honourable Member kindly give us an idea of the moral, technical and intellectual qualifications of the gentlemen called inspectors who were sent down to inspect these factories at Benares?

Sir Pheroze Kharegat I cannot say anything about their moral or intellectual qualifications, but they are all graduates who have received training in fruit preservation

Shri Sri Prakasa In view of the fact that jam making is a household industry in Benares and that this jam is in great demand and have proved satisfactory for centuries will the Honourable Member please rescind the order that has been issued?

Sir Pheroze Kharegat. No, Sir, the orders simply ensure that production is carried on in hygienic conditions, and I am sure the Honourable Member will agree that we should not issue orders which will enable fruit products to be manufactured in conditions which are hopelessly unhygienic

Shri Sri Prakasa: Will the Honourable Member help these jam makers in Benares who make these jams in their houses to get suitable sites? Is he not aware that it is almost impossible to get sites nowadays in large towns?

Sir Pheroze Kharegat Yes, Sir, Government are aware that it is very difficult to get suitable accommodation, and it is for that very reason that we have issued instructions to the effect that the premises in question should be visited again in order to see to what extent they can be reasonably improved And as soon as circumstances permit we will certainly help them to obtain land or buildings elsewhere where this manufacturing work can be carried on in more hygienic conditions

Shri Sri Prakasa Is it a fact that Sardar Bahadur Sardar Lal Singh (may his shadow never grow less!) has issued a notice to the jam makers in Benares on a paper that is without date in which he says that the Fruit Products Control Order was published in December 1946 and came into force on July 1, 1946 (six months before it was published!) and in which he has threatened to delicense all the factories because they have been found by his precious inspectors to be unsatisfactory?

Sir Pheroze Kharegat. I have no information about the actual order which is said to have been issued, but the fact is that the Fruit Products Control Order was published in July 1946 and not in December 1946

Dr. Zia Uddin Ahmad: Will these orders lapse on 31st March 1947?

Sir Pheroze Kharegat: I am not quite sure of the legal position but I think that these orders will continue in force if various other orders of a similar kind also continue

Shri Sri Prakasa: Will the Honourable Member kindly issue orders extending the date beyond the 31st March?

Sir Pheroze Kharegat: Yes, Sir I have already stated once that revised instructions have been issued that these premises should be re-inspected and efforts made to have the existing premises improved, and as soon as that has been done, fresh licences for the next quarter will be issued

Shri Sri Prakasa But in view of the fact that these letters—I have got them in my hand—show that these premises will all be delicensed automatically on the 31st of March 1947, may I know if the Honourable Member is going to consider this matter more sympathetically and not to stop a useful industry all at once?

Sir Pheroze Kharegat: We have no desire, Sir to stop the industry and the matter will certainly be considered again with a view to ensure hygienic production without in any way adversely affecting the industry

Shri Sri Prakasa: Are the eaters of jam also living in hygienic conditions?

Mr. President: Next question

RAILWAY ACCIDENT ON O T RAILWAY NEAR BHATNI RAILWAY STATION

671 ***Shri Sri Prakasa:** Will the Secretary of the Communications Department be pleased to state

(a) what railway accidents which occurred during the year 1946 are being enquired into by Government,

(b) whether the enquiry into the accident on the Oudh and Tirhut Railway near Bhatni railway station has been completed, and

(c) whether the report will be made available to the public, if so, when?

Sir Harold Shoobert (a) Inquiries were held by the Government Inspectors of Railways into 25 accidents during the year I place on the table of the House a statement giving particulars of those accidents

(b) Yes

(c) As a result of the enquiry there is likely to be a prosecution, and the report will be published when all the legal proceedings have terminated

Statement showing the railway accidents that occurred during 1946, *and were enquired into by Government Inspectors of Railways under the Communications Department*

Serial No	Description of accident
1	Head on collision between 656 Down Mixed Train and NT 37 Up Goods Train at Manipur Road station (B A Railway), on 12th January 1946
2	Head on collision between 36 Down Passenger and 733 Up Goods trains at Gobardanga station (B A Railway), on 26th January 1946
3	Head on collision between 723 Up Goods and 10-Down Express trains at Baghauli station (E I Railway), on 4th March 1946.
4	Side collision between 11 Up Express and Down Marriage Special at Sakaldiha station (E I Railway), on 4th March, 1946
5	Fire on 33 Up Passenger train between Jagadhri and Darazpur stations (N W Railway), on 21st March 1946
6	Destruction by fire of a passenger carriage on 35 Down Bombay-Madras Express between Boribyal and Diksal stations (G I P Railway), on 2nd April 1946.

7	Head-on collision between 12-Up and 13-Down Passenger trains at Itwari station (B N Railway), on 10th April 1946
8	Collision between 6-Down Mail and Buffer Stops at Howrah station (E I Railway), on 13th May 1946
9	Derailment of 488 Down Mixed train between Unharwah and Thul Sind (N W. Railway), on 29th May 1946
10	Derailment of 34 Down Mixed train between Chanderia and Gangrar stations (B, B & C I Railway), on 4th June 1946
11	Side-collision between 284-Down Passenger train and a motor bus, between Karanapur and Rupsa stations (B A Railway), on 9th June 1946
12	Side collision between 3-Up Mail and 131 Up Military Special at Kaloobathan station (E I Railway), on 15th June 1946
13	Collision between 6 Down Mail and a Motor Lorry at level crossing No 87, between Pilkhani and Saharanpur stations (N W Railway), on 19th July 1946
14	Collision between 90 Down and 73-Down Passenger trains at Bhatni station, (O T Railway), on 28th July 1946
15	Injuries to passengers of 548-Up Suburban Local Train at Mahalakshmi Kutchra Siding on B, B & C I Railway, on 20th August 1946
16	Derailment of 10 Down Surma Mail between Brahmanbaria and Talshahar stations (B A Railway), on 9th September 1946
17	Derailment of 10 Down Surma Mail between Ashuganj and Talshahar stations (B A Railway), on 20th September 1946
18	Derailment of 1 Up Lucknow Express between Dighwara and Baragopal station (O T Railway), on 23rd September 1946
19	Following collision between 100 Down and 118-Down Local Trains near Kakargachi station (B A Railway), on 1st October 1946
20	Collision between 1 Down Mail and the engine of 424-Up Goods train at Ongole station (M & S M Railway), on 4th October 1946
21	Fire on 2 Up Mail between Jalgaon and Shirsoli stations (G I P Railway), on 29th October 1946
22	Collision between 3 Down Mail and 1 Up R M R at Delhi station (N W Railway), on 6th November 1946
23	Derailment of 639 Up between Doomdoomiagaon and Dhing Bazar stations (B A Railway), on 14th November 1946
24	Injuries to passengers on 48 Up (Deccan Queen) due to being struck by an insecurely hooked door of a wagon of a Down Ballast train, near Tunnel No 13, between Palasdhari and Thakurwadi station (G I P Railway) on 18th October 1946
25	Injuries to the crew of 19 Down Express train between Narainpur Tatwara and Gangapur City stations (B, B and C I Railway), on 22nd October 1946

Shri Sri Prakasa Is there any truth in the rumour that has been afloat since this unfortunate accident at Bhatni that the whole staff went a dancing that night when this accident took place?

Sir Harold Shoobert. That rumour has not come to the notice of the Government of India

LICENCES FOR RUNNING PASSENGER MOTOR BUSES IN CENTRALLY ADMINISTERED AREAS

672. *Shri Sri Prakasa: Will the Honourable Member for Transport be pleased to state

(a) the conditions under which licences are granted to individuals and companies to run motor buses for passenger and goods traffic in the centrally administered areas; and

(b) if any attempt is made to discourage any monopoly in this trade?

The Honourable Dr. John Matthai: (a) The conditions under which permits are granted to individuals and companies to run transport vehicles for passenger and goods traffic will be found in Chapter IV of the Motor Vehicles Act, 1939

(b) I would invite the Honourable Member's attention to the replies given on the 28th October 1946, to question No 3, by Sardar Mangal Singh and to the supplementaries to question No 9 by Mr Sasanka Sekhar Sanyal The Government of India do not favour the grant of private monopolies in road transport and are not prepared to acquiesce in the grant of such monopolies in Centrally Administered Areas They are however prepared to accept the Policy of Provincial Governments in regard to granting monopolies on certain routes and over certain types of traffic to tripartite road rail companies or Provincial road transport undertakings

Shri Sri Prakasa: In view of the fact that the Honourable Member earlier this morning himself stated that a particular company—I believe it is called G I P I T —enjoys the monopoly of transport in Delhi, how is he able to reconcile that fact to what he has just stated, namely that Government do not intend to have any monopoly whatsoever?

The Honourable Dr. John Matthai: The position of that company is under active review by Government

Shri Sri Prakasa: May I know what exactly was the Honourable Member's answer to part (a) of the question regarding the release of these motor buses for transport of goods on the O T Railway?

The Honourable Dr. John Matthai: That question is governed by the provisions in Chapter IV of the Motor Vehicles Act, 1939

Shri Sri Prakasa: As these motor buses are lying idle for years now, would not the Honourable Member see his way to do something either to rescind that particular section to which he refers or to do something reasonable and in keeping with commonsense?

The Honourable Dr. John Matthai: The Honourable Member will have an opportunity of raising this issue when the Bill for amending this Act comes up for consideration

UTILISATION OF LORRIES PURCHASED BY O T RAILWAY FOR TRANSPORT OF GOODS

673. *Shri Sri Prakasa: Will the Honourable Member for Transport be pleased to state

(a) whether the Oudh and Tirhut Railway has a large number of lorries which were purchased to be put on the road, but which are lying idle awaiting orders of the Government of India,

(b) what Government propose to do with these lorries,

(c) whether Government propose to permit the Oudh and Tirhut Railway to utilise these lorries for transport of goods if they are not to be used for passenger traffic;

(d) when Government propose to put their scheme for road transport into operation, and

(e) the number of lorries all over India lying idle at the present moment awaiting the materialisation of the scheme?

The Honourable Dr. John Matthai: (a) The O T Railway have 174 passenger buses and 52 chassis on hand These vehicles were purchased for the road transport companies proposed to be formed in the United Provinces in accordance with the road-rail co-ordination, scheme outlined in the White Paper placed on the table of this House on 21st January 1946 They could not be placed on the road as the demand for funds for investment by railways in road undertakings was turned down by this House in February 1946

(b) It is proposed to utilize the vehicles as soon as the motor transport reorganisation scheme is finalized in the United Provinces

(c) The vehicles are intended for passenger traffic and are not suitable for the transport of goods

(d) The matter depends upon the attitude of the Provincial Governments and the time they take in finalising their schemes

(e) 407 passenger buses and 104 chassis

(b) WRITTEN ANSWERS

REDUCTION OF PRICE OF POST CARD

674. *Pandit Sri Krishna Dutt Paliwal: Will the Secretary of the Communications Department be pleased to state

(a) whether Government propose to reduce the price of post card to three pies and that of envelopes to six pies, and

(b) the steps Government have taken or propose to take for the transmission of press telegrams in Hindustani as easy and practicable as in English?

Sir Harold Shoobert: (a) No

(b) Due to practical difficulties the Government is unable at present to make any change

ADULTERATION OF GHEE WITH VANASPATI

675. *Shri D. P. Karmarkar Will the Secretary of the Food Department be pleased to state

(a) whether the attention of Government has been drawn to a news-item in the *Hindustan Times*, dated 10th February 47 regarding the adulteration of ghee with Vanaspati,

(b) whether it is a fact as suggested in the news-item that the Government of India have decided, that a minimum of 5 per cent of sesame oil shall be added to Vanaspati during its manufacture to facilitate detection in adulterated ghee,

(c) whether it is a fact that Government have decided that pending a decision on the nutritional value of Vanaspati, no further expansion of the industry should take place, and

(d) whether Government propose to cancel the licenses already issued to those who have not yet secured the machinery required for its manufacture?

Mr. K. L. Panjabi: (a) Yes, Sir

(b) Yes, Sir

(c) Government have decided that they will not for the present assist the construction of new factories The future policy of Government in this matter is under consideration

(d) There is only one party which has not placed orders for the plant The licence approved for this party is being reviewed

SALARIES OF POSTAL EMPLOYEES FOR STRIKE PERIOD

676. *Mr. Sasanka Sekhar Sanyal: With reference to the reply to starred question No 17 of the 3rd February, 1947, relating to the withholding of salaries of postal strikers for the period of their absence, will the Secretary of the Communications Department be pleased to state

(a) whether Government are satisfied that in respect of the period during which postal employees were on strike they were given the dearness and other allowances and compensatory allowances, and other benefits,

(b) whether Government are aware that sometime ago the Director-General of Posts and Telegraphs issued orders to the effect that the absence from duty (referring to strike period) would affect the employees' increments, pensions and accumulated leave,

(c) whether Government are aware that such orders are contrary to Sir Eric Conran-Smith's announcement that such absence would not involve break in the service,

(d) whether Government are aware that many employees who have signed a declaration, that they were not on strike, even though they had been on strike, have been allowed pay in respect of the strike period,

(e) whether the attention of the Government has been drawn to the statement, dated the 4th of August, 1946 made by Moulana Abul Kalam Azad, and other distinguished leaders in which they appealed to the strikers to call off the strike and assured them that they would see that the Postal employees were compensated for the strike period, and

(f) whether Government propose to reconsider the whole question?

Sir Harold Shoobert: (a) Clear instructions were issued that all compensatory allowances, payable during leave on loss of pay, should be granted to the employees who went on strike Government are not aware of any cases in which these instructions have not been followed Deafness allowance is not payable during such leave

(b) Yes .

(c) No

(d) Government have no information which would indicate that the fact is as stated

(e) The attention of Government has been drawn to certain reports in the press alleging that statements to this effect were made

(f) Representations upon the subject which have been received are receiving consideration

Offer of Sale of Nepal Paddy to Government of India .

677. *Mr. Madandhari Singh: (a) Will the Secretary of the Food Department be pleased to state whether it is a fact that His Highness the Maharaja of Nepal offered Nepal paddy for sale to the Government of India?

(b) What steps are being taken to procure paddy from Nepal ?

(c) Is there any person authorised for procurement?

(d) What is the agreement between the Government of India and the Nepal Government regarding the procurement?

Mr. K. L. Panjabi: (a) and (b) The Government of Nepal enquired whether the Government of India wished to obtain Nepal paddy by making part payment in cloth as was done by the Bihar Government last year and, if so, they suggested that the transaction should be conducted on a Government to Government basis The Government of India came to the conclusion that purchase of paddy on a barter basis should not be continued this season among other results it would have repercussions on the procurement of paddy produced on the Indian side of the border There is a surplus of paddy in the Nepal Terai bordering the provinces of U P and Bihar and to collect this surplus the Provincial Governments have set up their own purchasing arrangements at convenient centres.

(c) Under the system of purchase described above there is no need for an agent for procurement

(d) There is no specific agreement between the Government of India and the Government of Nepal regarding the procurement of paddy

TELEPHONE CONNECTION IN CALCUTTA, BOMBAY, MADRAS AND DELHI

678. *Mr. Ahmed E. H. Jaffer: Will the Secretary of the Communications Department be pleased to give the following figures in connection with telephone connections in the cities of Calcutta, Bombay, Madras and Delhi.

(a) the total number of instruments and lines, direct and extension, installed between 1st February 1946 to 31st January 1947,

(b) the percentage thereof allotted to private parties and Government establishments,

(c) the percentage of the private connections that have been allotted to Mussalmans, and

(d) the machinery that Government propose to set up in these and other places to ensure that an equitable distribution of telephones is made on the basis of the applications received therefor?

Sir Harold Shoobert: (a) and (b) The information required by the Honourable Member is given in a statement which I lay on the table of the House

(c) The names of the Communities to which the subscribers belong are not entered in the Posts & Telegraphs records and hence the information asked for by the Honourable Member cannot be given

(d) The matter is engaging the attention of Government

Statement

Serial No	Names of station	Total number of instruments and lines, direct and extensions installed between 1st Feb 1946 & 31st Jan. 1947	Percentage of connections given to	
			Private parties	Government Establishments
1	Calcutta	3,694	73	27
2	Bombay	2,619	67	33
3	Madras	669	55	45
4	Delhi	1378	14	86

REGISTRATION WORK OF MOTOR VEHICLES BY AREA RATIONING AUTHORITY IN AJMER-MERWARA

679. *Pandit Mukut Bihari Lal Bhargava. (a) Will the Honourable Member for Transport be pleased to state whether the Area Rationing Authority in Ajmer-Merwara has also been entrusted with the work of Motor Vehicles registration, which work was formerly under Deputy Superintendent of Police, in-charge of Traffic Control?

(b) Are Government aware that the Area Rationing Authority, without the work of Motor Vehicles Registration, will be left-with little work and the post will become practically redundant?

(c) Do Government propose to consider the advisability of re-transferring the Motor Vehicles Registration work to the Police Department, and to make alternative and less expensive arrangements for the discharge of the diminished duties of the Area Rationing Authority in Ajmer-Merwara?

The Honourable Dr. John Matthai: (a) Yes

(b) No, Sir The Area Rationing Authority is not only doing the work of petrol rationing and motor licensing and registration, but is also Deputy Provincial Motor Transport Controller and Secretary to the Provincial Transport Authority and performs the duties required by the administration of the Spare Parts Control Order

(c) No The normal duties of the Police are heavy and the duties performed by the Area Rationing Authority mentioned in the reply to part (b) above require the services of a full time officer It is also the policy of Government to concentrate all work relating to motor transport under a separate Transport Authority Motor vehicle registration is not the normal function of the Police The Government of India are satisfied that the existing arrangements are the best possible, particularly in view of the growing importance of road transport in this country

TRANSFER OF MUSLIMS IN THE RAILWAY CLEARING ACCOUNTS OFFICE

680. *Seth Yusuf Abdoola Haroon: Will the Honourable Member for Railways please state:

(a) the number of Muslims transferred from Administration, Personnel, Establishment Accounts, Food Accounts, Efficiency and Food sections of the Railway Clearing Accounts Office to other sections of that office or other offices since November 1945 to date,

(b) the number of non-Muslims who were transferred to the sections mentioned above since November, '45 to date, and

(c) the reasons why the Muslims mentioned in (a) above were not replaced by Muslims?

The Honourable Dr. John Matthai: (a) and (b) Information in respect of the period November 1945 to 7th March 1946 is not available due to the destruction of records of the Railway Clearing Accounts Office by fire As regards the subsequent period, I lay on the table of the House a statement giving the number of persons, Muslims as well as non-Muslims, transferred from and to the sections referred to

(c) Transfers from section to section of an office are not based on communal considerations -

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Statement

Staff transferred from Administration, Personnel, Efficiency, Establishment Accounts, Food and Food Accounts Sections of the Railway Clearing Accounts Office during the period from 8th March 1946 to February 1947 —

Community	Number
Muslims	20
Non Muslims	65

Staff transferred to the above-noted sections during the above period —

Muslims	15
Non-Muslims	82

DIRECT RECRUITMENT OF TICKET COLLECTORS ON N W RAILWAY

681. *Seth Sukhdev: With reference to the reply to starred question No 23') asked on the 12th February 1947, regarding direct recruitment of Ticket Collectors or Special Ticket Examiners on the North Western Railway, will the Honourable Member for Railways be pleased to state·

(a) whether Government are aware that direct recruitment in intermediate grades is designed to afford chances to minority communities to have representation in higher posts,

(b) whether Government are aware that Grade II posts of Ticket Collectors and Special Ticket Examiners lie in the normal channel of promotion of grade I Ticket Collectors,

(c) whether Government are aware that in making adjustments in shortage of direct recruitment, the balance of deficiency is carried over for one year only,

(d) the reasons for carrying over the deficiency in direct recruitment from the 1st January, 1944 till 1946-47 instead of for one year only,

(e) whether Government are aware that this direct recruitment has caused suppression of the existing staff who have long terms of service and have continued to work in grade II for years, and

(f) whether it is proposed to make adjustments accordingly, if not, why not?

The Honourable Dr John Matthai: (a) Direct recruitment to intermediate grades is not designed to give members of minority communities chances of being represented in higher posts but is intended to allow a small proportion of young men of all communities and possessing superior qualifications an opportunity of entering service with chances of more rapid advancement to supervisory posts than those with inferior qualifications who enter the service in the lower grades

(b) Yes

(c) The limit of one year referred to by the Honourable Member applies only to deficiencies in the direct recruitment of members of minority communities, and not to deficiencies in the permissible number of persons to be appointed direct to intermediate grades

(d) Does not arise in view of the reply to part (c)

(e) The Honourable Member is apparently referring to recruitment to intermediate grades in 1946-47 If so, it must not be overlooked that during the years 1944 and 1945 Grade I Ticket Collectors obtained by promotion a larger proportion of the vacancies in Grade II, due to the shortage of direct recruitment to Grade II, in those years Government, therefore, do not consider that the direct recruitment in 1946 47 referred to has resulted in any supersessions

(f) This question does not arise in view of the reply to part (e)

PROPOSAL OF DR MEGHNAD SAHA FOR THE DEVELOPEMENT OF ASTRONOMY

682. *Mr. Madandhari Singh: (a) Will the Secretary of the Communications Department be pleased to state what are the proposals of Dr Meghnad Saha of the Calcutta University, regarding the development of Astronomy?

(b) Do Government propose to accept all the suggestions made by the Committee?

(c) If not, what are the proposals which Government are going to accept?

(d) When will these proposals materialise?

Sir Harold Shoobert: (a) Perhaps the Honourable Member is referring to the report on the Post-war development of Astronomy and Astrophysics in India submitted by the Committee, of which Professor Saha was the Chairman A copy of the report has been placed in the Library of the House

(b) The report is under the consideration of the Government of India It is proposed to make a beginning next year with some expansion of Kodaikanal

(c) and (d) Do not arise in view of the reply to (b)

OVERCROWDING OF TRAINS ON O T RAILWAY

683. *Mr. Madandhari Singh: (a) Will the Honourable Member for Railways be pleased to state whether Government are aware that almost all trains on the Oudh and Tirhut Railway are over crowded?

(b) If so, what steps Government propose to take to relieve the congestion in trains?

The Honourable Dr. John Matthai: (a) and (b) Due to acute shortage of rolling stock, the O T Railway are unable to meet in full the greatly increased public demand for passenger accommodation The most recent statistics reveal an increase of over 70 per cent in passenger traffic compared with 1938-39 The Railway is utilising to their fullest, all available resources, and has reintroduced or extended a total of 86 trains since the war ended The present passenger train mileage amounts to 86 per cent of the prewar Every effort is being made to obtain more coaching stock, and as this becomes available, passenger train services will be progressively increased Some relief is expected in the near future from the Provincial Government's scheme for co ordinated rail road services

INCONVENIENCE TO PUBLIC OF WALTAIR AND VIZAGAPATAM BY THE PROPOSED DIVERSION OF TRAINS BETWEEN KOTTAPARLEN AND SINHACHELAN NORTH

684 *Prof. N. G Ranga: Will the Honourable Member for Railways be pleased to state

(a) whether Government propose to utilize for civilian traffic the diversion of the Railway line constructed during the war for military purposes between Kottaparlen on the Madras and Southern Mahratta Railway and Sinhachelan North of the Bengal Nagpur Railway for the purpose of saving running time for a distance of 8 miles,

(b) whether Government are aware of the inconvenience that will be caused to the population of Vizagapatam and Waltair numbering 175,000 by such a diversion of the route of Mail and Passenger Trains between Calcutta and Madras, and Puri and Madras respectively,

(c) the amount that will have to be spent on the necessary water sheds, staff-quarters, passenger conveniences, etc , at the new stations,

(d) whether Government are aware of the inconvenience that will be caused to the existing staff by this diversion of traffic, and

(e) whether Government propose to reconsider their plans in consultation with the local public and the Standing Railway Finance Committee and see that no inconvenience is caused to the public of Waltair and Vizagapatam and that no new expenditure is incurred by such a diversion?

The Honourable Dr. John Matthai: (a) and (b) The Honourable Member is referred to the reply given to starred question No 239 asked by the Honourable Sri N Narayanamurthi on the 6th November 1946

(c) Government have no information

(d) No

(e) The views of all interested parties will be given the most careful consideration before a decision is taken; the Standing Finance Committee will also be consulted if the cost of the work is such as to require this to be done under the rules New expenditure is sanctioned only when a proposal is considered to be justified

RESTORATION OF PASSENGER TRAINS AFTER THE WAR

685. *Sri A. K. Menon: (a) Will the Honourable Member for Railways be pleased to state the number of passenger trains restored on each of the railway lines under Government management after the conclusion of the war?

(b) When will all the passenger trains that existed before the war be restored?

The Honourable Dr. John Matthai: (a) The number of passenger trains restored or extended on Indian Government Railways since the conclusion of the war up to the 1st February, 1947, is

B A	285
B N	27
E I	140
B B & C I.	94
G I P	33
O T	86
N W	88
M & S M	76
S I	152
Total	986

(b) The restoration of passenger train services to the pre-war level will depend, to a large extent, on the speed with which coaching stock on loan to the Defence Department is returned to Railways On the 31st January, 1947, there were still 711 Broad Gauge Bogie and 46 Four-wheeled carriages on loan to the Defence Department and heavy movements of Military personnel still continue, it is not possible therefore to say at present when Railways will be able to restore fully train services to those prevailing before the war

Railway administrations are fully alive to the necessity for increasing train services and they will continue to put on extra trains as and when the requisite coaching stock becomes available

FIXATION OF PRICE OF FOODGRAINS

686. *Mr. G. B. Dani: Will the Secretary of the Food Department be pleased to state,

(a) Whether the Provincial or Central Government fixes the prices of foodgrains and

(b) whether in fixing the prices of food grains Government take into consideration the actual expenditure incurred and income made by cultivators per acre, if so, whether Government propose to state the production, expenditure and net income, per acre Province-wise of rice, and wheat?

Mr. K. L. Panjabi: (a) The attention of the Honourable Member is invited to the reply given by me to Starred Question No 228 by Prof N G Ranga on the 12th February, 1947

(b) Adequate information about the actual expenditure incurred and income made by cultivators per acre is not available and does not therefore, form the basis of price fixation In reaching its decisions the Government of India is advised by the Price Advisory Committee and takes into consideration the following factors. (i) the maintenance of production involving a fair price to the producer, (ii) the cost to the consumer, (iii) the size of the crop, (iv) current market prices, (v) the general price level of other commodities, and (vi) price level in neighbouring regions.

RECONSIDERATION OF PROPOSED ACQUISITION OF LAND FOR AGRICULTURAL COLLEGE NEAR NANGLOI, DELHI PROVINCE

687. *Lala Deshbandhu Gupta: (a) Will the Secretary of the Department of Agriculture be pleased to state whether government have received a representation from Mr Krishna Nair requesting that Government's decision to acquire land belonging to several villages for the opening of an Agricultural College near Nangloi in Delhi Province be reconsidered and suggesting several other alternative sites which could be acquired for the purpose?

(b) If so, what action has been taken by Government on the same?

Sir Pherozе Kharegat: (a) Yes

(b) The question of acquiring alternative sites is at present under consideration

RAILWAY LINE FROM BOBBILI TO SALUR

688. *Prof. N. G. Ranga: Will the Honourable Member for Railways be pleased to state

(a) whether the Branch Railway line from Bobbili to Salur has been dismantled and if so, when and why,

(b) whether the said Railway was not a paying one before it was dismantled,

(c) whether the said Railway is the main means of communication available for the transport of (i) Jeypore Agency products, and (ii) the Commodities of the main markets of Vizagapatam, Parvathipur, Bobbili and Vizagapatam,

(d) whether the local people have represented for the reconstruction of this Railway,

(e) whether the said reconstruction has been included in the Post war development scheme recently approved by the Railway Finance Committee, and

(f) if the reply to part (e) above is in the negative, whether Government propose to include the reconstruction of this Railway in their next year's plans?

The Honourable Dr. John Matthai: (a) Yes, Sir The Branch line from Bobbili to Salur was dismantled in January 1942 to meet urgent military demands for track materials

(b) The Branch line was not commercially remunerative at the time of dismantlement

(c) No The railway line between Bobbili and Salur before it was dismantled was not the only means of communication for transport of produce from various markets mentioned by the Honourable Member The area is still served by good metalled roads

(d) Government have received a public representation for the restoration of this line

(e) Yes, Sir The restoration of Bobbili-Salur line is now being investigated as a part of the larger project linking the Central Provinces with the East Coast line *via* Bastar and Jeypore States It is difficult at this stage to say what route will be adopted finally, as there are more than one alternative routes under consideration. The present position in regard to Bobbili-Salur line is that its restoration is considered definitely un-remunerative and can only be undertaken as part of the larger project If the final alignment of the proposed project designed to connect the Central Provinces with the Port of Vizagapatam does not lie *via* Salur and Bobbili, then the restoration of this Branch line will have to depend on its own merits, a question which has been referred to the Madras Government

(f) Does not arise

COMPLAINT BY BEHARI LAL BANSI DHAR OF DELHI AGAINST PRODUCERS OF VEGETABLE OIL PRODUCTS

689. *Babu Ram Narayan Singh: (a) Will the Secretary of the Food Department be pleased to state whether a complaint in writing has been submitted by Behari Lal Bansi Dhar of Delhi to the Honourable Member for Food, against the producers of the vegetable oil products and their agents and distributors for selling vegetable oil product to the public, at higher rates than allowed by Government, and if so, with what result?

(b) Are Government aware that before submitting the written complaint mentioned in part (a) above, the said Behari Lal Bansi Dhar has twice approached the Assistant Controller of Vegetable Oil Products for India and discussed with him the various irregularities and illegalities resorted to by parties mentioned in part (a) above?

(c) If so, have any steps been taken or are proposed to be taken to remove the causes for complaints referred to in part (a) above?

Mr. K. L. Panjabi: (a) Yes The subject of the complaint that manufacturers are themselves doing wholesale and retail distribution was referred to the Vanaspati Manufacturers' Association, who have recommended that this may be allowed up to 20 per cent of the total production This recommendation will be considered by Government

(b) and (c) Yes There were four references in the complaint all of which were investigated Two were found to be without foundation and the other two are under examination

690 *[Withdrawn]

REQUISITIONING OF LAND FOR THE PROPOSED AGRA CENTRAL STATION

691. *Sjt Seth Damodar Swroop: Will the Honourable Member for Railways be pleased to state

(a) whether Government are aware that the United Provinces Government have notified that in the city of Agra the area bounded on the north by Lohamandi Road, on the south by Shahganj Road, on the east by Balka Basti Road and on the west by Aruttary Road be requisitioned under Section 4 of the land Acquisition Act as needed for the construction of a Central Railway Station at Agra,

(b) whether Government are aware that the area mentioned above comprises some of the most thickly populated parts of localities embracing therein a number of temples and mosques besides the houses of the poor and rich ranging from the ordinary dwellings to the palatial buildings affecting some 50,000 persons who would thereby be rendered homeless, and

(c) if so, whether Government propose to consider the advisability of abandoning the above mentioned site in favour of an alternative scheme of expanding the present Cantonment Station up to the metergauge bridge of the Idgah Station and the overbridge of the Great Indian Peninsula Railway?

The Honourable Dr. John Matthai: (a) Yes, the land boundaries as detailed were recommended by a sub-committee consisting of officials and M L A s of both Provincial and Central Legislatures appointed by the Government of U P to consider plans for the town development of Agra including the site for the new Central Station to serve the three railways concerned

(b) No, Sir The Sub-Committee has stated that this is in every way the most central and accessible site available It is practically unencumbered by buildings and offers the maximum space which the railway experts demand Among larger structures its acquisition will entail merely the removal of an old-fashioned, inadequate and ill-placed slaughter house, the demolition of an Infectious Diseases Hospital which has already been condemned by the Public Health authorities and the surrender of the residential block of Government Training College which could be more conveniently rebuilt nearer its parent unit

(c) The Honourable Member's attention is invited to my predecessor's reply on the 28th October, 1946 to question No 8 by Pandit Sri Krishna Dutt Paliwal All relevant factors, including the suggestion of my Honourable friend, will be carefully considered before the Government of India sanction any project for a Central Station at Agra

REDUCTION OF WORKING HOURS AND DEFICIENCY OF CLOTH

692. *Sjt. Seth Damodar Swroop: Will the Honourable Member for Industries and Supplies be pleased to state

(a) the steps taken by Government so far to meet the shortage of cloth,

(b) the steps that have been taken to make up the deficiency in cloth production brought about by the reduction of working hours, and

(c) whether Government propose to take steps (i) to check the tendency of the mill owners to produce finer counts thereby reducing the production of standard cloth, (ii) to evolve a system for controlling the qualities of cloth produced by a mill and (iii) to change present method of distribution?

The Honourable Sri C. Rajagopalachari: The attention of the Honourable Member is invited to the reply given by me on the 17th February 1947 to Question No 340 asked by Shri D P Karmarkar which dealt with all these points and which I need not repeat

PRICES OF GROUNDNUT AND OTHER OIL CAKES IN MADRAS PROVINCE

693. *Prof. N G. Ranga: Will the Secretary of the Department of Agriculture be pleased to state.

(a) whether Government are aware that the present prices of groundnut cake and other oil cakes which are being used as manure and cattle-food are too high for the majority of peasants in the Madras Province, and

(b) whether Government propose to consider the question of subsidising the sale and distribution of cake in order to encourage its use by the peasants in the "Grow More Food" campaign?

Sir Pherozе Kharegat: (a) The wholesale price of groundnut cake in the Madras Presidency on 8th February 1947 was between Rs 3 to Rs 4 per maund in the producing areas

(b) Provincial Schemes for the supply of oilcake as manure and cattlefeed are eligible for assistance from the Centre out of the Grow More Food funds on the usual conditions The Government of India sanctioned a grant of Rs 18,33,000 in the current year to Madras for the free distribution of 28,200 tons of groundnut cake in certain areas in addition to Rs 4,37,500 for its subsidised distribution in other areas

RECONSTRUCTION OF COCANADA AND KOTIPALLE RAILWAY LINE

694. *Prof. N. G. Ranga: Will the Honourable Member for Railways be pleased to state

(a) whether it is a fact that the Cocanada and Kotipalle Railway line was dismantled during the war for war purpose, if so, when,

(b) whether Government are aware that Kotipalle is a great pilgrimage centre and that this Railway line used to be the main means for transport of coconut and paddy which are the most important products of the place, and

(c) whether Government propose to reconstruct it in the near future?

The Honourable Dr. John Matthai: (a) Yes; Sir, During November 1940

(b) Government have no information The Cocanada-Kotipalli Branch line worked at a loss between 1935 and 1940 and as the area was well served by good roads, it was decided to close it down

(c) There is no proposal at present to restore this branch line The Provincial Government have not so far recommended its restoration

PRICE OF PADDY IN 1939 IN BENGAL, ASSAM AND MADRAS

695. *Sri V. Gangaraju: Will the Secretary of the Food Department be pleased to state:

(a) the price of paddy in 1939 in the Bengal, Assam and Madras Provinces,

(b) the present paddy prices in these provinces,

(c) the percentage of rise in paddy prices in the Bengal, Bihar and Madras Provinces,

(d) whether Government are aware that the percentage of rise in the price of paddy in the Madras Province is lower than that in other Provinces, and

(e) whether it is a fact that the Government of Madras have sought the permission of the Government of India to increase paddy prices in the Madras Province, if so, what was the reply of the Government of India to the Madras Government?

Mr. K. L. Panjabi: (a) to (c) A statement is laid on the table of the House

(d) Yes, Sir

(e) The attention of the Honourable Member is invited to the reply given by me to Question No 228 asked by Prof N G Ranga on the 12th February, 1947

Statement showing the present statutory maximum or ceiling prices of paddy for sale by producers as compared with August, 1939 prices and the percentage of increase over August 1939 prices

(In Rupees per Bengal Maund)

Province	Centre	Price during August 1939	Present statutory or ceiling maximum price	Percentage of increase over August 1939	Remarks
Madras	Bezwada	2 5 7	5 2 6	120 0	
	Kumbakonam	2 4 10	6 1 0	181 9	
Bengal	Burdwan	2 6 0	6 8 0	173 7	
Bihar	Jamagar	2 2 0	6 0 0	182 3	
	Kishanganj	2 4 0	6 0 0	166 6	
Assam	Gauhati	1 14 0*	6 4 0	233 3	* Harvest prices during 1938 93
	Dibrugarh	2 0 0*	6 7 0	221 9	

SHORTAGE OF POSTCARDS IN RAIPUR DURING DECEMBER, 1946

696. *Mr. G. B. Dani: Will the Secretary of the Communications Department be pleased to state

(a) whether Government are aware of the fact that post cards were not available in many Post Offices, especially in Raipur during the month of December 1946, and

(b) if so, the reasons for this shortage?

Sir Harold Shoobert: (a) Presumably the Honourable Member's question refers to the Central Postal Circle There was no shortage of postcards in Raipur during the month of December, 1946 Postcards were not available at Ajmer between 7th and 12th December, at Jubbulpore between 15th and 31st December, and at Katni, Rewa and Satna post offices for the whole month of December 1946

(b) The reasons for the shortages are reported to be delay on the part of the Treasuries in surcharging the old nine pie postcards to half anna with rubber stamps

RULE REGARDING THE SUPPLY OF COPIES OF STATEMENTS TO ACCUSED PERSONS IN RAILWAY DEPARTMENTAL ENQUIRY

67. Seth Sukhdev: Will the Honourable Member for Railways be pleased to state

(a) whether any provision exists in the disciplinary rules for railwaymen, to enable supply of copies of statements to the accused person in case of a departmental enquiry, if not whether there is any proposal to make such a rule now;

(b) whether Government are aware that the Railway Board have forbidden supply of copies of statements taken at a departmental enquiry, if so, under what rule or for what reasons, and

(c) whether there are any arrangements to allow the accused person to have sufficient recorded facts in his possession, to enable him to put up his defence, if not, whether any steps are being taken to achieve this end?

The Honourable Dr John Matthai: (a) Presumably the Honourable Member is referring to the Discipline and Appeal Rules for non-gazetted railway servants contained in Chapter XVII of the State Railway Establishment Code, Volume I, and to the Departmental enquiries contemplated in Rules 1707 and 1709 thereof If so, the reply to both parts is in the negative

(b) In April 1946, the Railway Board issued instructions in connection with the procedure to be followed after an enquiry had been held in terms of Rules 1730 and 1707 of the State Railway Establishment Code, Volume I These instructions were to the effect that after the punishing authority had arrived at a provisional conclusion in regard to the penalty to be imposed, the accused railway servant should, if the penalty proposed was dismissal, removal or reduction in rank, be afforded an opportunity of showing cause why the particular penalty proposed should not be inflicted It was considered that if copies of the evidence recorded at the enquiry were supplied to non-gazetted staff, it would, on account of their large number, entail a large expenditure of time and labour which would only result in delay in the final disposal of disciplinary cases, tending to increase the existing difficulties in the maintenance of discipline

(c) In accordance with the rules on the subject, an employee guilty of an offence meriting dismissal or removal is served with a charge-sheet detailing the charge or charges against him and is required to submit a written explanation by a fixed date In the case of dismissal, a departmental enquiry is invariably held at which the railway servant appears in person accompanied, if he so desires, by another railway servant The accused is also given all reasonable facilities for the conduct of his defence including the cross-examination of witnesses In the case of removal from service of an employee who has completed seven years' service, the procedure is the same as for dismissal except that the officer competent to pass the order of removal may dispense with the departmental enquiry In that event, however, if the railway servant asks to be heard in person, he shall be given a personal interview at which he may be accompanied by another railway servant In these cases and also in the case of reduction, before the orders of punishment are actually issued, the accused person is given a further opportunity of showing cause why the particular punishment proposed should not be inflicted on him In view of these opportunities given to a railway servant to defend himself, Government do not consider any further steps necessary

SUPPLY OF WHITE UNIFORMS TO EMPLOYEES ON N W RAILWAY

68. Seth Sukhdev: Will the Honourable Member for Railways be pleased to state

(a) whether Government are aware that white uniforms are supplied to some employees on the North Western Railway;

(b) what is the maximum supply of such white uniforms per season,

(c) whether Government are aware that these uniforms are insufficient to ensure neat and tidy dress on duty,

(d) whether Government are aware that there is demand for Khaki uniforms, and

(e) whether Government propose to substitute Khaki for white uniforms, if not, why not and what steps do Government propose to take to supply cloth for supplementing white uniforms by the employees at their own expenses?

The Honourable Dr. John Matthai: (a) Yes

(b) Government are informed that the rate of supply is two sets of uniforms for each summer season

(c) Government do not consider that the number of uniforms supplied is insuffic ent

(d) and (e) Government are informed that there has been no demand by the staff for khaki uniforms but that the Railway Administration intend, as an experimental measure, to substitute khaki for white uniforms for Guards working in the Lahore Division, during the ensuing summer season As regards the concluding portion of part (e) the question does not arise in view of the reply to part (c)

PERMANENT WAY INSPECTORS AND APPRENTICES ON N W RAILWAY

69. Seth Sukhdev: Will the Honourable Member for Railways be pleased to state

(a) the number of posts on the North Western Railway, on the 31st December 1946 of (i) Permanent Way Inspectors, (ii) Permanent Way Apprentices, and (iii) Assistant Way Inspectors,

(b) the number of Assistant Way Inspectors who have qualified in Permanent Way Inspectors duties on or before this date;

(c) since how long are the qualified Assistant Way Inspectors in Permanent Way Inspectors duties blocked in their grade for chances of promotion, and

(d) whether any steps are proposed to be taken by Government to remove the blockade in promotion of qualified Assistant Way Inspectors, if not, why not?

The Honourable Dr. John Matthai: (a) The required information is as follows

Category	Number of post	
	Permanent	Temporary
(i) Permanent Way Inspectors	113	7
(ii) Permanent Way Apprentices . .	8	
(iii) Assistant Way Inspectors	214	12

(b) to (d) Information is being collected and a reply will be laid on the table of the House in due course

COMMERCIAL INSPECTORS ON N W RAILWAY

70. Seth Sukhdev: Will the Honourable Member for Railways be pleased to state

(a) the date on which the posts of Commercial Inspectors were created, on the North Western Railway,

(b) the number of persons appointed as Commercial Inspectors either permanently or in officiating capacity, with dates of their taking over charge,

(c) the number of Inspectors out of the list referred to in part (b) above who are qualified in course P-15, whether those who are not qualified in this course are being reverted, if so, when, if not, why not, and

(d) the steps Government propose to take to ensure that only qualified persons are appointed to such jobs as Commercial Inspectors?

The Honourable Dr. John Matthai: (a) 2nd January, 1945

(b) 21, twelve of whom were appointed on the 2nd January 1945 The dates of taking over charge in the case of the remainder are as follows 4th January 1945, 1st February 1945, 21st March 1945, 24th May 1945, 25th July 1945, 3rd June 1946, 1st July 1946, 12th July 1946, 3rd March 1946

(c) Of the 21 persons mentioned in the reply to part (b) above, only eleven are at present employed as Commercial Inspectors and of these five have qualified in Course P-15 As regards the latter portion of the question, I would invite the Honourable Member's attention to the reply to part (e) of his unstarred question No 24 asked on the 31st October 1946 In view of the position as stated therein, the question of reversion of the remaining six does not arise

(d) No special steps are necessary as it has already been prescribed by the Railway Administration that only those who have qualified in the Commercial Course at the Walton Training School and have been selected by a properly constituted selection board will be appointed as Commercial Inspectors

COMMUNAL DISCRIMINATION IN PROMOTIONS ON RAILWAYS

71. Seth Sukhdev: Will the Honourable Member for Railways please state

(a) whether Government are aware that communal ratio is observed only in posts filled by direct recruitment,

(b) whether Government are aware that a Selection Board for such recruitment is to include a representative of the minority community,

(c) whether Government are aware that no communal reservations are made in posts filled by promotion, if so, why Selection Boards for promotion-posts are desired to have a representative of minority communities and whether it is proposed to discontinue the practice, and

(d) if the reply to last portion of part (c) be in the negative, why this communal discrimination is sought to be observed in promotions also?

The Honourable Dr. John Matthai: (a) and (b) The reply is in the affirmative

(c) The reply to the first portion is in the affirmative As regards the latter portion, the Officer placed on Special Duty in 1939 to review the working of the rules and orders relating to the representation of Minority Communities in the Services of Indian Government Railways alluded to the feeling existing among members of Minority Communities that they were not getting "A square deal" He recommended among other things that a Selection Board for promotion should not consist of members of any one community only He also made certain suggestions applicable generally to the constitution of Selection Boards one of which was the representation of Minority Communities thereon Accordingly, with the concurrence of the Central Advisory Council for Railways, provision for the representation of Minority Communities on Selection Boards for promotion was made in the orders issued on the subject Government see no reason for discounting the practice

(d) Government do not agree that the fact that a Selection Board may have a Member of the Minority Communities on it amounts to communal discrimination Nor do they accept the suggestion that any communal discrimination is observed in making promotions

DUTIES OF RAILWAY SECTION OFFICERS ATTACHED TO ANTI CORRUPTION DEPARTMENT ON N W RAILWAY

72. Seth Sukhdev: Will the Honourable Member for Railways be pleased to state

(a) the duties of the Railway Section Officer attached to the Anti-corruption Department,

(b) whether he has powers to investigate cases, if so, how this power is exercised, and

(c) where such officers are stationed on the North Western Railway?

The Honourable Dr. John Matthai: (a) By the expression "Anti-corruption Department" the Honourable Member presumably means the Special Police Establishment, now known as the Delhi Special Police Establishment, constituted for the purpose of preventing corruption on Railways Railway Sectional Officers attached to this Establishment are required to collect information regarding the prevalence of bribery and corruption in their respective sections on the Railways to which they belong, to assist the investigating officers in understanding and appreciating the technical records pertaining to cases on the railways and generally to advice on the technical aspects of investigations

(b) The reply to the first part is in the negative, the second part does not arise

(c) Three Railway Sectional Officers are stationed at Lahore, two at Rawalpindi one at Delhi and one at Quetta

SHEDMEN POSTS ON KARACHI DIVISION OF THE N W RAILWAY

73. Seth Sukhdev: Will the Honourable Member for Railways be pleased to state

(a) the number of grade II Shedmen posts on Karachi Division of the North Western Railway, and the stations where such posts exist,

(b) whether confirmations are made in these posts, if not, why not,

(c) when each such post was sanctioned, and how long the present incumbents have been officiating against each of such posts, and

(d) the maximum period of officiating service after which an employee should be confirmed, if no such limit has been laid down, the reasons therefor and whether it is proposed to do so now? If not, why not?

The Honourable Dr. John Matthai: The information is being collected and will be laid on the table of the House in due course

LOSS DUE TO NON-SUPPLY OF CHEAP ARTICLES AT GRAIN SHOPS ON N W RAILWAY

74. Seth Sukhdev: Will the Honourable Member for Railways be pleased to state

(a) whether Government are aware that some 18 commodities are to be supplied at North Western Railway grain shops at cheap rates;

(b) whether Government are aware that even a minimum of 10 commodities has not been supplied during the last few months, if so, whether Government propose to make good the loss caused on account of the non-supply of cheap articles by payment of dearness allowance, if not the reasons therefor, and

(c) whether Government are aware that the North Western Railwaymen have asked for the supply of rationed articles only at controlled rates and the payment of full dearness relief in cash, whether Government propose to comply with the request, if not, what other proposals have been formulated by Government in connection with the grain shops?

The Honourable Dr. John Matthai. (a) The Honourable Member is presumably referring to instructions which were issued by the Railway Board in September 1944 in which a maximum of 18 commodity groups was aimed at for supply from railway grainshops The actual number of groups, however, depends on whether supplies are procurable The maximum has since been reduced due to the abolition of the scheme for the sale of standard and woollen cloth through railway grainshops

(b) From the information available, only a small proportion of the grainshops of the N W Railway supplies less than the target of ten commodities As regards the latter portion of the question, relief in kind is properly and equitably given in so far as the procurement position permits It is not proposed to give cash relief when stocks fail

(c) Government are not aware of a specific request to this effect by the employees of the N W Railway As regards the question whether such a request, if made, will be complied with, the question of the future policy in regard to the continuance of grainshop concessions in their present or in any other form will be considered after the report of the Pay Commission has been examined by Government and decisions taken thereon

SHORT NOTICE QUESTIONS AND ANSWERS

STRIKE BY MUSLIM EMPLOYEES IN CENTRAL ORDNANCE DEPOT DELHI CANTT

Mr Ahmed E. H Jaffer: (a) Will the Secretary of the Defence Department be pleased to state whether Government are aware that the Muslim employees 12 Noon in the Central Ordnance Depot, Delhi Cantonment are on strike?

(b) If so, what is the total number of persons on strike and what are the causes of the strike?

(c) Are Government aware that the present civilian labour Officer's attitude towards the Muslim employees is one of the important causes of the strike?

(d) Are Government aware that some of the Muslim employees had approached the Commandant before launching the present strike, with a request to permit them to place their grievances before him and that he had refused both to grant them an exclusive interview and to listen to their grievances?

(e) What steps do Government propose to take to end the strike?

Mr G S Bhalja. (a) Yes Sir A certain number of Muslim employees have absented themselves from work

(b) 150 to 230 out of about 850 but the number varies from day to day The cause of absenteeism is the transfer of three men from one section to another in the Depot in the ordinary course

(c) No Sir

(d) No Sir On the contrary, the complaints of the Muslim employees were investigated by the Commandant personally

(e) This is not a case of strike but of unauthorised absenteeism

Maulana Zafar Ali Khan Arising out of part (d) of the question, may I know whether it is a fact that the Civilian Labour Officer and the members of the so called Welfare Sub Committee, in whose presence the Commandant called the Muslim Ring Leaders, were all Hindus, the very persons whose bigotry was the cause of the Muslim employees' grievances?

Mr G S. Bhalja: I am afraid I have not followed the question in detail. Would the Honourable Member pass on the paper to me? I will send him a reply

Mr President: Is the Honourable Member putting the question on his own information, or has the question been passed on to him?

Dr. Zia Uddin Ahmad: Has the Honourable Member seen the article published in today's *Dawn* about the real causes of this strike?

Mr. G. S Bhalja: I have just seen the press cutting shown to me by my Honourable friend, Mr Ahmed Jaffer

Dr. Zia Uddin Ahmad: Does he agree with that?

Mr. G. S. Bhalja No, Sir

Dr. Zia Uddin Ahmad Can he tell the real facts if those facts are not correct?

Mr G S. Bhalja It will take a long time to go into all the facts Briefly the position is that a Civilian Temporary Clerk employed in the C O D , Delhi, named Faruq Mirza, absented himself from work, as he felt that he was slighted in being transferred from one section to another in the same depot A labour committee went into the question and found that this grievance had no substance Then there was a Darbar held by the Commandant himself on the 21st February which consisted exclusively of Muslim employees and they were all satisfied that the grievances put up by certain employees had no substance Subsequently a Court of Enquiry was ordered and the report of that Court of Enquiry is being awaited

Dr Zia Uddin Ahmad: Does the Honourable gentleman believe that the strike was due to the transfer of two persons or was it because the officer refused to give an audience to the employees?

Mr President: As the Court of Enquiry has already been instituted, there should be no further questions on the merits now

Mr Ahmed E H Jaffer Is the Honourable Member aware that there are two appointments of C L O s at this Depot? Out of them one is already a Hindu and the other appointment is lying vacant Will the Honourable Member look into it and see that a Muslim is appointed to the post so that it might meet one of the grievances of the strikers?

Mr President I do not think it arises out of the question

Mr. Ahmed E H Jaffer It does

Mr President It does not

Shaikh Rafiuddin Ahmad Siddiquee Is it a fact that the Government characterised the Muslim employees' spokesmen as the ringleaders of the trouble and does this not show that they were prejudiced against them?

Mr G S. Bhalja No, Sir

Mr Mohammad M Killedar Has not the Honorary Secretary of the Muslim's Association on behalf of the strikers stated that one of the grievances was the cancellation of the transfer of the two men? How then could the transfer of those two men be the cause of the strike?

Mr G. S Bhalja: This is one of the grievances in a statement which has just been shown to me by my friend, Mr Jaffer I have not been able to go into the matter of the grievances

Lala Deshbandhu Gupta: Is it open to outsiders to supply manuscript supplementaries to different Members to be asked by arrangement one after the other?

Mr. President: Order, order

Dr. Zia Uddin Ahmad May I ask that the Honourable gentleman has given us the facts which were given to him by a subordinate? But can he imagine that the strike could be due to the fact that on account of two persons 230 people have gone on strike? There seems to be something else also Will he enquire into the facts?

Mr. G S Bhalja: It seems to be more a matter of argument

Mr Ahmed E H. Jaffer: May I ask the Honourable Member if he would personally look into this matter and satisfy our demands sympathetically?

Mr. G. S Bhalja: Certainly Sir, the grievances of the men who have gone on strike will be sympathetically considered by Government

SENDING OF TROOPS FOR USE AGAINST MUSLIM LEAGUE CAMPAIGN IN THE PUNJAB, N W F PROVINCE AND ASSAM

Mr. Tamizuddin Khan. Will the Secretary of the Defence Department be pleased to state

(a) whether troops have been lent to the Punjab Government for dealing with situations arising out of the campaign that is being carried on by the Punjab Muslim League for the restoration of civil liberties in the Province and if so, then number and the districts where they have been hitherto employed,

(b) whether troops have been lent to the Government of the North West Frontier Province in connection with any movement by the local Muslim League against the recent promulgation of Section 144 of the Criminal Procedure Code in the city of Peshawar, and

(c) whether it is true that troops have been lent to the Assam Government in connection with the eviction of Muslim and other emigrants mainly from Bengal, from a number of villages in the district of Darrang in Assam and if so, the nature of duties that the troops are being required to perform?

Mr G S Bhalja (a) and (b) In accordance with the normal practice troops are available to the Provincial Governments if, in their opinion, the police forces present are inadequate to maintain law and order Troops have been employed in the Punjab for the protection of Railways and have been available as backing to the police if required, but up to the end of February no troops had been actually in contact with parties of demonstrators

(c) No, Sir

Mr. Tamizuddin Khan: Were also British troops lent in this connection?

Mr. G S. Bhalja: I think, Sir, on one or two occasions British troops were also standing by as a precautionary measure

Mr. Tamizuddin Khan: Can he give the number of troops?

Mr. G. S. Bhalja: I am afraid I cannot give the figure off hand

Dr. Zia Uddin Ahmad: Is it a fact that these troops are under the Government of India and not under the Provincial Government? If in case they are used in a wrongful manner are we not entitled to ask questions and is it not the duty of the Honourable Member to make enquiries?

Mr. G. S Bhalja. The troops are under the Government of India But I have explained repeatedly that on the occasions when they have to be brought into use in aid of civil power, the justification will have to be given by the Provincial Government concerned and not by the Central Government

Dr. Zia Uddin Ahmad: If these troops are wrongly used by the Provincial Government, isn't it the duty of the Government to make enquiries?

Mr. President. That is hypothetical It obviously follows

THE GENERAL BUDGET—GENERAL DISCUSSION—*contd*

FIRST STAGE

Announcement by the President

Mr. President: Before the House proceeds with the general discussion of the Budget, I wish to say a few words on the scope of the discussion and the time limit I understand that it is the desire of Honourable Members to sit for one additional hour from 5 p m to 6 p m to-day and to morrow

Therefore the question hour will stand as it is and the House will sit longer by one hour

Before we proceed with the general discussion of the Budget, I should like to invite attention of the Honourable Members to Rule 46 of the Indian Legislative Rules so that the scope of discussion may be clear to the Honourable Members This is what the Rules says

[Mr President]

'The Assembly shall be at liberty to discuss the Budget as a whole or any question of principle involved therein, but no motion shall be moved at this stage , etc , etc '

Any reference to individual grievance etc will come at a later stage, and Honourable Members will get the opportunity when the Finance Bill comes in For specific items of the Budget they will get an opportunity when the cut motions are there So the present scope of discussion is clear, and that is general discussion on the Budget as a whole as also any question of principle involved in the Budget

In all during the two days, excluding the question hour but including the extra hour from 5 p m to 6 p m , the House gets 9½ hours of which I am setting aside, or propose to set aside, an hour and a half for the Government Members to reply So roughly the House will get 8 hours The time limits which I propose are about 15 minutes to each individual speaker, and in case any more time is required or taken up by any Member of a Party, that will be a reduction in that Party's time, as time for each Party is proposed to be rationed I propose to allot the time of 8 hours as follows

Four hours for the Congress Party,

Two hours for the Muslim League Party,

One hour for the European Group, and

One hour for unattached Members.

I believe the House is agreeable to these proposals

Mr Tamizuddin Khan (Dacca *cum* Mymensingh Muhammadan Rural) If a Member takes less time than fifteen minutes, will the balance be added to his party's time ?

Mr President I am keeping in account of the time taken by each Member

Khan Mohammad Yamin Khan (Agra Division Muhammadan Rural) I rise today to congratulate the Honourable the Finance Member, the first Indian Finance Member who sat in this House since the British Government had taken possession of India He is not only the first Indian Finance Member, but he is the first Finance Member of the purely Indianized Indian Government and with this position we expected from the Finance Member the boldness of presenting a budget which may be acceptable to the country at large and he has shown great strength and boldness in presenting his budget I congratulate him for presenting a budget which is really the poor man's budget and which meets the aspirations of millions of this country

For the last 26 years we have had debates and discussions in this House about the salt tax and the Governments in the past had not been able to abolish the salt tax which the Honourable the Finance Member has done boldly Thus he has brought great relief to the people which has been asked for on public platforms and from this House for the last 26 years In spite of the deficit in the budget the Honourable the Finance Member has come forward to abolish this tax Therefore we have to congratulate him for having met the aspirations of Indians in this respect

Another great relief which he has given and which had been demanded on the floor of this House for a long time is that the smaller incomes should be free from income tax I know that in 1931 there was a great tug of war when it was suggested that the minimum should be reduced from Rs 2,000 to 1,000 On this issue we threw out the whole Finance Bill which was presented by the Government of the day and that created great resentment on the part of the Government Circumstances have changed and the cost of living has increased and it was expected of the Finance Member to raise the minimum limit so that it may meet present day requirements and he has boldly come forward to increase the limit from Rs 2,000 to Rs 2,500 Though it may not be as much relief as might be considered justified and necessary I think taking into

consideration the deficit which is there in the budget, this proposal will be welcomed

I am glad that the export duty on tea has been increased from two annas to four annas We have been producing this commodity in this country and I do not know why the prices have suddenly increased during the last six months Tea has been exported so much with the result that the people of this country have been made to suffer The prices of tea in the market had increased by leaps and bounds Even the man in the village drinks tea nowadays, because in the absence of milk, tea is no more a luxury but a necessary substitute to tea for the villager Tea prices have been going up steadily and this duty combined with the abolition of the salt tax will provide some relief to the poor man I think that with the increase in the tea export duty the price of tea will tend to come down and not increase This will be a relief to the poor man I have on my left my Honourable friend Mr Griffiths, who is the President of the Tea Association I hope he will take into consideration the poor man in the village and will not allow the tea prices in the market to rise as they have done hitherto and will try to bring them down to the same level as existed before the control was taken from them I hope the Honourable the Finance Member's suggestions and proposals will bring great relief not only by simply adding to the revenues but also by relief in the home markets

Sir, I have been of this view for a very long time and I have pressed it year after year, that there is no reason why we should allow in this country of poor people (85 per cent of the population of this country lives from hand to mouth) very big incomes to people who accumulate wealth and which wealth they do not generally use for any purpose other than hoarding I proposed many years ago that the limit of a man's income should be a lakh of rupees and he should not be allowed to retain anything beyond that Whatever in excess he earns must go to the State I have been pressing during the war that the burden of war expenses must fall on those people who have made lot of money during the war and it should not fall on those people who have been losing during the war or have not been making any profits at all There are some people who made huge profits through the contracts of the Government but who paid for the contracts?

Shri Sri Prakasa (Benares and Gorakhpur Divisions Non-Muhammadan Rural) The Government

Khan Muhammadan Yamin Khan: What is Government? It is the public, the tax payer, paid the money to the contractor Then it is but right that these people should be taxed in order to give relief to the taxpayer and these richer people should not be allowed to exist on the sufferings of the taxpayer Therefore there is no reason why we should allow them to earn beyond a certain limit There are many people who have made profits not in thousands nor even in lakhs but in millions and these people have been concealing their profits They have been dealing in black markets Many cases have come to our notice that people sold bundles of cloth at a certain price openly but that was not the real price at which they were sold They took thousands of rupees as pugri money in the black market and they gave receipts only for the proper price This brought misery to the consumers in this country and the consumer had to pay the black market price There may be a law to check it. You may punish them but the net result remains, that there are people who have got the money made in black markets There is no reason why the taxpayers should go on paying on account of them It is therefore right that the State must intervene and charge on their income, in order to bring relief to the taxpayer I congratulate the Honourable the Finance Member for his bold stand in this respect I would not have left even the two piece which the Honourable the Finance Member has generously given

[Khan Muhammad Yamin Khan]

beyond a lakh and fifty thousand earned money or a lakh and twenty thousand unearned money What is unearned money? If a man has inherited a big property or is earning something from the banks then this money comes to him as a real gift without any labour On this a lakh and 20 thousand is a very generous limit I should have liked it to be reduced to half of it I do not know why anybody should get more than what an Executive Councillor of the Government of India gets as his income If an Executive Councillor's salary is fixed at Rs 5,500 a month it comes to Rs 66,000 a year I think this should be the limit for anybody among the public to make either in vocation or in business That is the limit up to which we should allow anybody to retain to himself as income. The Executive Councillor gets Rs 66,000 minus the income tax, while that man will be free to get up to that limit

Shri Sri Prakasa: But will they have free travelling also?

Khan Mohammad Yamin Khan As far as travelling is concerned if it is connected with the profession it is charged to the expenses Therefore he will not be affected whether he is in business or in any profession

Babu Ram Narayan Singh (Chota Nagpur Division Non Muhammadan) And free bungalows also?

Khan Mohammad Yamin Khan No bungalows

Mr. President: If the Deputy President begins to reply to the various interruptions his time will be taken up by the interruptions The best course for him will be to ignore the interruptions

Khan Mohammad Yamin Khan. If Honourable Members want to interrupt me, as a matter of courtesy I want to reply But it is for them to see that they do not tax that courtesy

Sir, I welcome one great suggestion which has really not been tackled for a long time and the Honourable the Finance Member has very wisely tackled it and I hope he will succeed in this At least in the City of Delhi—and it may be prevalent in many other places also, in Bombay I hear the position is as bad, and in other places also—what the people have been doing is this They have been purchasing lands like Improvement Trusts lands If 20 or 30 sites were sold by auction there was only one company which went up and purchased the lands in the auction They got it because nobody else could face them They were the profiteers If they purchased for Rs 5 or 6 a yard from the Improvement Trust now they are selling the same land and advertising for sale at Rs 100 or 120 a yard This is raising the very great problem of accommodation in the City of Delhi, and has been the cause of great misery to those people who cannot afford to purchase the land at this exorbitant price I think a tax on the sales of these lands in this manner will stop speculation in many ways and prices will remain normal People will not easily get black market money by these sales Therefore I welcome the suggestion that this practice should be stopped As a matter of fact I would like it—though this may come later on—that anybody who has already got a house in Delhi should be stopped from purchasing any land for house sites in Delhi And nobody should be allowed to sell it for 20 years if he has purchased once That will put a check on the people making money out of lands

I am sorry that there is a great deal of deficit still left There would have been a greater gap as a deficit if certain other taxes had been given up as a relief It is not for us to suggest what tax can be given up and I do not want to propose anything in that direction because there is still a deficit left Then may be a greater deficit which I fear will come up and must come after the recommendations of the Pay Commission are accepted by the Government

Therefore I think the policy of the Government should be to bring down expenditure by considering what unnecessary staff under the Government of India is receiving very high salaries and abolishing it They should be retrenched. Of course Government will have to consider and are bound to consider the question when the salaries will have to be fixed, on the level of income in future These are the salaries which the Government of India pays at present They were fixed a long time ago and they were fixed in exceptional circumstances, but they might be changed in future, after two or three years But I do not propose to deal with this question any more than the Pay Commission will deal with it

I have only one more suggestion to make I do not find any suggestion in the Honourable Member's speech about this and I hope he will explain the omission I think some kind of provision should be made by the Government for the training of technicians on a larger scale under the circumstances as are presented to us by the announcement of His Majesty's Government. If the British Government is going to leave and hand over charge to India in June 1948, who is going to defend our shores? Who is going to bring many things which we require now? Are we going to be dependent on the British navy to protect our shores after that? Are we going to engage them on contract? Are we going to pay them some kind of subsidy for protection, or are we going to protect ourselves? If we are going to protect ourselves, then where is this personnel coming to manage our fleet? Where is the fleet which is to come? I think the Government should pay a great deal of attention that, when we are going to take possession of our country we should not be left in the position that we may demand the British Government to stay and say 'No, please don't go, please stay on to protect us' I do not want to be reduced to that position If they have said they are going, and they mean it, I must be ready to take charge of my house without being left under the guardianship of the people who say they don't want to stay Sir, that is the position which the government of the day has to tackle and tackle very strongly and to bring in circumstances under which our shores may not become a source of danger to our country from the attacks of other people

Shri Sri Prakasa: When you talk of 'lac' of rupees, you must suffer from lack of navy

Khan Mohammad Yamin Khan: That is why I am saying that we have to build it and build it soon and provide the technicians who will have to manage the navy also We have been paying attention towards our army, but we have not paid much attention to our navy Our shores are very very long and we require protection of the shores from other countries The people who came as invaders from Europe, whether they were the Dutch, Goanese or British, came from the shores Therefore these shores have to be protected The protection of the shores can come only when we train people and bring up our people to the required level within the short period which we have at our disposal

Sir, these are my general remarks for consideration I will have my opportunity of going into details later on

Mr. P J. Griffiths (Assam European) Throughout most of human history time seems, as it were, to flow in a continuous stream One may pick out particular points or particular sequences, but the direction of the flow is uniform, only at rare times in human history a point is reached when the stream of time seems to bifurcate, when the current of future events seem to separate itself from the past and flow in a wholly different direction We in this country are today approaching such a great dividing point in time For nearly 100 years the finances of this country have been guided and controlled by British officials, working in consultation with and until recent years, under the control of British Governments Today, for the first time, we are discussing a budget presented not only by an Indian Minister, but presented

[Mr P J Griffiths]

under the aegis of the first Indian popular Government of this country That, Sir, is a matter which must occasion great gratification to every single member of this House, and to no Party, no Group is the gratification greater than it is to us in this Group who have for the last five years thrown their influence, both here and elsewhere into the cause of immediate self government for this great country It must be a thought of great pride to the Honourable the Finance Member that it falls to him to present this Budget under such circumstances for the first time

There is, however, a second respect in which this Budget occasion is somewhat unique and here its uniqueness is not a matter on which I can congratulate the Honourable the Finance Member It is unique in this sense, that for the first time it is a Budget based not primarily upon financial considerations, not primarily upon the need for preserving financial stability but upon the achievement of what the Finance Member himself has described as a social objective At a later stage in my remarks I shall try to make the point that the social objective has been misconceived or at any rate misstated, and that the Finance Member, besides misunderstanding the objective, has misunderstood the means by which that objective might be reached I will return to that point later

It seems to me that in considering any budgetary proposals, we have four tasks to carry out First, we have to assess the financial strength of the country as revealed by the budget figures, secondly, we have to examine the estimates of revenue, thirdly we have to consider whether the estimates of expenditure are reasonable, and, finally, we have to examine the taxation proposals

I shall begin with a brief reference to the financial strength, the financial position of this country as disclosed by the budget figures, and here we have to take into account two main factors—the revenue position and the borrowing position When we examine the revenue position, we find that for the current year there is a deficit of 45 crores of rupees and that if there were no fresh taxation in the forthcoming year we could expect a deficit of 48 crores of rupees And here we have to ask ourselves a question, and it is a very difficult question, as to whether a deficit of this order is or is not significant, significant in the sense that it ought to lead to new and drastic taxation? In answering this question it is not easy to take a balanced view In this group, though we know quite well that we cannot return to pre war canons of finance altogether, we should not welcome a policy which shall involve deficits year after year, and which in course of time would lead down the slippery slopes of bankruptcy That is a policy which we should not welcome, but our feelings on that point must not make us lose a sense of proportion and attribute to the deficit shown in the figures this year a significance greater than that it deserves Last year there was roughly an equivalent deficit and the Finance Member then, for reasons which to us seemed cogent at the time, refrained from embarking on a policy of fresh taxation presumably in the belief that many of the items of expenditure must from the necessity of the case diminish and that it was reasonable to suppose that the deficit would be wiped of by the beginning of the following year It is very difficult to speak dogmatically as to what degree of risk the Finance Member ought to run in this matter Our own view in these Benches is that he has attached too much significance to a deficit of this order and that this year, as last year, it would have been wise if he had adopted the procedure of holding off and in the meantime not considering this deficit as of a sufficiently frightening order to justify heavy and novel taxation The second feature in the financial strength of the country is the internal borrowing position I do not propose to discuss this in detail I will merely point out that the internal debt today stands at about twice what it was at the beginning of the war and this at a time when revenues

have risen roughly threefold It does not seem to us, either in comparison with the pre war position or in comparison with other countries, that there is any great cause for alarm about the present debt position provided—and this is an important proviso—provided Government maintain the conditions under which productive activity will continue to be possible in this country Given reasonable, healthy productive activity, there is no need to be worried about an internal debt of the order with which we are faced, but if the conditions of that productive activity are not maintained—and there are signs in many directions at the moment that they are not being maintained- if that should happen then this debt might become disturbing indeed As I shall show later, amongst the factors which are likely to undermine this productive activity are the taxation proposals contained in this year s Budget Taking the position as a whole—deficit, internal debt, and coupled with that the large external credit—it seems to us that we can assess India's financial position as being reasonably strong, far too strong to create a panic, and certainly far too strong to make it necessary for the Finance Member to go round looking for new and drastic forms of taxation

I pass to the second aspect of budgetary consideration—the revenue estimates The estimates for the forthcoming year are down, I think, by about 57 crores of rupees as compared with the revised figures of the current year That decrease I believe, is almost wholly accounted for, firstly by the cutting of Excess Profits Tax and, secondly, by the fact that in the last Budget there was a fortuitous item of 46 crores of rupees on account of war risk insurance which naturally cannot be repeated this year, so that, roughly speaking, leaving aside those two changes the Finance Member is budgeting for an economic tempo during the forthcoming year of roughly the same order as that during the current year Again this seems reasonable to us, subject to the same proviso that I mentioned earlier, namely that Government maintain the conditions under which economic expansion or even the maintenance of our economic position is possible We are however inclined to think that the Finance Member may have under budgeted receipts I turn, for example, to the item on account of customs receipts I find that this year there has been quite a considerable improvement in the position as between the original budget estimates and the revised estimates, under this head and I am rather surprised therefore, that in budgeting for the forthcoming year the Finance Member has not felt justified in showing some substantial increase under this head I am not criticising him for that, I can undersatnd that under the present unsettled conditions in the world any Finance Member has to take a conservative view But the point I wish to make is that it looks as if there has been some degree of under budgeting and as a result the apparent gap between revenue and expenditure has been increased We are inclined to think that the estimated gap is probably higher than is actually justified by reasonable expectation

Then I come to the third aspect of the budget—the expenditure estimates These are down by Rs 54 crores compared with the current revised estimates and at first sight that might seem a satisfactory reduction, but the fact still remains that we are carrying over into the third year of peace, expenditure of a staggering nature The increased expenditure in the revised as compared with the original budget figures, for the current year is a little disturbing It leaves us with the feeling at the back of our minds that possibly everything is not being done to cut down expenditure to a reasonable minimum I realize of course that some part of the increase is due to certain circumstances outside the control of Government But I also notice that as the Finance Member points out, no small part of the increase is due to expansion of departments here and there That seems to us to call for further examination and I shall revert to it in a minute The most important single item of the expenditure estimates is of course Defence Here we find our-

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selves in a difficult position. All we are told is that Rs 188 crores is being spent We do not know how it is being spent We have no material from which we can judge whether it ought to be Rs 178 or Rs 168 crores We do know, as business people, that when you have any concern spending Rs 188 crores, you can be certain that there is scope for drastic retrenchment if you go about the business properly We notice that demobilization has been slower than we hoped We believe that this is part of a general slowness of the whole business of unwinding the war machine There are of course vested interests standing in the way of unwinding any war machine We want those interests to be kept in check We notice that it is still the case that in the telephone directory of this city 42 pages are kept for G H Q telephones That is only a small matter but it seems symbolical of the reluctance of war-time departments to start reducing themselves

I come then to another aspect of the estimates of receipts—the commercial departments Has the Finance Member satisfied himself that the commercial departments are earning what they should earn? Has he satisfied himself that their efficiency is all that could be desired? Take the Posts & Telegraphs Department We shall have much to say about it in cut motions in this House and most of us feel from the experience we have all had that it would be very optimistic to regard that Department as an example of efficiency The estimate we form of its efficiency makes us wonder how efficient it is as an earning machine I would like an assurance from the Finance Member that he is satisfied that these great commercial departments of State are being run in such a way as to produce the maximum income compatible with service to India

Then we come to the general civil estimates We find they are only Rs 4 crores less than the current year and this links up with what I was saying about the tendency of Government Departments to hang on Of all the new manufactures which came into being in war time, perhaps the most interesting was the manufacture of government departments Some fresh need sprang up and a Department was created immediately Once there the Department itself began to increase the need—and so it went on Philosophers of old did not discover the secret of perpetual motion but Government departments have discovered it New departments were brought into existence and we fear they will be kept there for ever We do feel that this Economy Committee which the Finance Member is proposing to introduce is of the utmost importance We give him our full support and we hope he will show a bold determination to see that waste is stopped and that reasonable economy is effected We agree with him in his distinction between retrenchment and economy Retrenchment in the narrow sense, arises when the financial situation is so bad that you have to cut down even useful and profit making expenditure That is not the case today We do not want retrenchment in the narrow sense but we do want a thorough economic drive We shall not get that unless the Finance Member himself provides the force behind, I know of no man who has more driving force than he has If he will exert that force with a view to cutting down expenditure, he will go a long way to bridge the gap Action of that kind is a better step towards bridging the gap, than rushing helter skelter into new and dangerous forms of taxation

Linked with this question of economy is the question of ensuring proper collection of the revenue It is not necessary for me in this House to dilate on the very wide scale on which tax evasion and tax dodging takes place in every part of this country today Every one of us who has contacts with these matters see examples of it on a great scale everywhere It is a matter of great satisfaction to us that the Finance Member has turned his attention, so early to this aspect of administration It seems to us that India's great administrative need is the tightening up of the collection machinery of revenue

Collect your taxes and you will bridge the gap You will not need to fly to new taxes which with your present ineffective administration will be continued to be paid only by the few You will not need to do that if you see that taxes are collected from all from whom they are due The commission which the Finance Member has proposed is a sound idea but will not go by any means the whole way What is wanted is not merely an *ad hoc* commission, but a permanent strengthening of the revenue collecting machinery and particularly of that part of the machinery which is concerned with the detection of evasion Let us have a full-blooded drive to ensure that the tax dodgers are roped in Again I say to the Finance Member collect your tax and you will bridge the gap without going in for new and fantastic taxes

I turn now to the taxation proposals contained in the budget and here I would like to make one preliminary observation Throughout past years, we in this group have lent our support to the proposals of Government for increased taxes We have done so even on numerous occasions when those whom we represent were those most likely to be worst hit by those proposals We have done so, not because we are fine and noble people—though of course we are—but because as good business men we are conscious that our prosperity is bound up with the prosperity of the country, and it was our considered view that the taxation proposals which have been put forward in the past have been such as to stimulate the national economy and to give the country that prosperity in which we as businessmen hope to share I make these preliminary remarks because I want to appeal to my Honourable friend, the Finance Member to believe that when I oppose, as I shall have to oppose some of his proposals today, I do so in a spirit of sincerity equal to that with which I supported unpleasant taxation proposals in years past It seems to us that the whole scheme of taxation contained in this budget is so drastic that it would be far too mild to say that it would drag down industry and prosperity There is however a real possibility that if applied in its present rigid proposed forms it will lead sooner or later to an economic collapse in this country It seems to me clear, if I may say so with great respect, that the Finance Member is basing his budget on two unsound premises In the first place he has set before himself the social objective of narrowing the gulf between the rich and the poor I respect the intentions of the Finance Member in this matter, but I think he has misconceived the objective There are two ways of narrowing the gulf One is to pull one side this way and the other is to pull the other side that way Narrowing the gulf is not good unless in the process of doing it you are giving some benefit to the poor man Taking away from the rich is not a virtue in itself We are living in an age in which it is common to think that riches are wicked in themselves, a view generally abandoned in those holding it themselves emerge from the lower financial strata of society But the more sober view, and the one expressed by the *Hindustan Times*—taking a realistic view on this matter—is that the aim is not to pull somebody down but to pull somebody else up I have no objection to pulling the rich and wealthy down provided it is done in such a way in the process that somebody else is going to be pulled up We live in an age when sentimentalism and loose thinking are the order of the day, and we are apt to take it for granted that because we do something unpleasant to the rich automatically we somehow or other in some mysterious way benefit the poor The test that we apply to the proposals of the Honourable the Finance Member is not Do they make the rich poorer but do they make the poor richer? Do they in any way either directly or indirectly, help the common man? I should have much preferred it if the Finance Member had stated his social objective in this more rigid and accurate form

The second mistaken foundation, which I submit with great respect seems to me to appear from one part of his budget speech when he speaks as though roughly speaking all industrialists were a bad lot He says

"We have here on the one hand a class of multimillionaires rolling in wealth and holding the economy of the country in their grip by exploiting for their own profit the labour of the

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poorer classes, and on the other hand the vast multitudes who eke out, somehow or other, a miserable existence precariously near the starvation line"

I yield to no one in my admiration of the Finance Member's delightful phrasing or for his capacity for painting a picture so as to look even more lurid than it is But I suggest that this dichotomy which the Finance Member has drawn is a false one India is not divided between exploiting multi millionaires on the one hand and those vast multitudes on the other hand There are indeed multi millionaires who deserve to be called exploiters There are profiteers, there are tax dodgers and there are tax evaders But there are also a great many in this country who perhaps technically come within the classification of what the Honourable the Finance Member would call rich men who are contributing day to day to the development of this country—whose work as great industrialists is vital to the country's industrial expansion It is on the work of these industrialists that the masses sooner or later must depend for the raising of their standard of living and that the country must depend for increased production It seems to us entirely wrong to say in effect that because you have a class of parasites, because there are millionaires who exploit labour and do not themselves contribute as much as they should to the welfare of society,—that because of this you will impose taxation of a kind which besides hitting them will also hit and cripple those industrialists whom as the builders of big business, India so badly needs You will discourage them and frighten them away from that great industrial expansion which is to be the life blood of India in the future

It is common to lump financiers and industrialists together, to say that industrialists, exploiters speculators, and the like are bad lot and therefore we will tax heavily every body who happens to come into the high income class This is a confusion of thought I do not mind what the Honourable the Finance Member does in the way of discouraging the speculator, the financier pure and simple

We talk of social objectives we talk of the needs of the common man What is it that the common man really wants in the economic sphere as a result of Government intervention? In the first place he wants such an expansion of national wealth that his country will be in a position to give him the things that he needs Today he cannot have compulsory primary education, because there is no money to pay for it Today he wants a great public health service and he has not got it because there is no money to pay for it He wants most of the elementary rights enjoyed by citizens in more advanced countries but he has not got them because India is a poor country Surely then the primary need of the poor man in the economic sphere—is the expansion of national wealth the filling of the national coffers in a way which will make it possible for him to enjoy those public services without which no country can be considered advanced or progressive And then the second main need of the ordinary man is a plentiful supply of cheap goods, commodities beyond the bare necessities of existence, which he can buy at reasonable prices The time is past when the masses generally either are content or ought to be content to eke out a bare existence, with just enough to keep body and soul together They are entitled to something more but they cannot get that

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something more, unless industry in the country is vitalised, unless the wheels of industry are kept turning at the maximum possible speed, unless industrialists are induced to exert their utmost strength and ability to turn out consumer goods on the largest possible scale and also capital goods if they can—unless that can be done it is no use indulging in idle dreams Visions alone will not raise the standard of life of the poor man What is needed to raise the standard of living is an expansion of industry and for that industrial expansion you have to see that the incentive for development is there If by taxation you take away that motive and you take away the incentive for development, you will slow down the whole process of expansion

By these proposals you will take from the rich but you will have nothing to give to the poor I do not believe that is really what the Honourable the Finance Member wants nor do I believe that that is what this House desires But I believe there is a good deal of confusion on that subject, because people have at the back of their minds the idea of nationalisation, the idea that the State and not the private capitalist ought to undertake great businesses and reap the profits from them I am not concerned today to dispute the truth of that ideal, though I hope to take some other opportunity of doing so The point I want to make here is that no one says that India is yet ready, that the State is ready to take the place filled by capitalist enterprise, to make itself a super industrialist responsible for all production That change cannot be made overnight and therefore it is abundantly clear that whatever you may have as your dream of social organisation in the future, in the meantime the wheels of private industry have got to be kept turning If you impose on industries and on business taxation of the crushing nature set forth in this budget, in which business profits tax are increased, corporation tax is increased and an almost fantastic level of super tax is imposed if you impose taxation of this order, then you destroy the incentive in industry The discouragement will be so great that businessmen will not consider it worth the effort to organise great businesses Perhaps in fifty years time the main spring of human motives will be different Perhaps we shall all by then be like well trained civil servants anxious to work just for sake of the common good But that day has not yet been reached When that day is reached, the Honourable the Finance Member, with this theory at the back of his mind will be the obvious man for the post of Finance Member but that day has not been reached yet

The Honourable Mr Liaquat Ali Khan That is fifty years hence!

Mr P J Griffiths You will be very experienced by then Sir As I said, that day has not yet been reached and it is still essential to make use of private enterprise and of the profit motives

I do not ask the Honourable the Finance Member to take my word for it, when I say that taxation of this kind shakes confidence and destroys the incentive Let him go and see the repercussions all over the country Let him talk to any responsible businessman of any community or any part of the country today He will find that the view that I am taking is not a personal view of mine nor is it the particular view of my community but the universal view

Why is my Honourable friend doing this? He is going to bridge a gap of 57 crores, a gap which I have already tried to show him he can go a very long way to fill if he will deal with the tax dodger the tax evader and if he will embark on a full blooded economy campaign But he is filling that gap by resorting to taxation of a kind which in the last resort will certainly destroy its own intention Does my Honourable friend believe that this taxation will make for full employment? Is there anything more closely related to his social objective than full employment? This budget will lead industrialists all over the country to re examine their position, to enter upon schemes of rationalisation and to cut down all employment to the minimum Taxation of this order cannot lead to full employment It is far more likely to lead to unemployment Even that would have something to be said for it if it were offset by some great benefit that the poor man was getting from the Finance Member's budget But when I examine the budget I do not find any such benefit in it

On the abolition of the salt tax I have nothing to say It was necessary as a concession to a popular demand—a demand which has a long historical background behind it But my Honourable friend cannot tell me that the practical effect of the measure of the life of the common man is going to be to improve it materially I am not opposed to the remission I am merely saying that it is not correct to say "because I have lifted the burden of the salt duty I have done the common man a great benefit" I am using the word 'common man' here in the economic sense The poor man will get nothing to make up for a risky

[Mr P J Griffiths]

experiment which the Finance Member is undertaking He is undertaking a great experiment which we believe will slow down the whole tempo of industry and will react to the detriment of the poor man He is doing it for no corresponding benefit to the poor man in his budget which might be offset against it I can not stop today to discuss the various taxes in detail We shall have an opportunity of doing that at a later stage I merely say in passing that we disagree with the remark of the Finance Member that the business profits tax in the form in which he has suggested it is essentially a fair tax and that it must necessarily be a fairer tax than the Excess Profits Tax I am not at all certain that he is right in saying that it is fairer than the Excess Profits Tax In some ways it is more penal than that tax, nor has it a justification that the Excess Profits Tax had of being based on a determination that riches shou'd not be made out of the war I should discuss that also later Why only other criticism about that particular tax today is that the arbitrary selection of a standard of Rs 1 lakh as a limit seems to be thoroughly unsound You cannot talk of small or large profits in the abstract Profits are large or small according to their relationship to the capital charge, and it seems to me neither sound nor wise to take an arbitrary figure like Rs 1 lakh and say if the business has profits above that level it should pay and otherwise it should not pay

Let me just illustrate briefly one way in which this tax may affect the economic structure of the country Suppose you have a man in a small way of business, shall we say, a grocer earning a profit of less than Rs 1 lakh Suppose too there is another grocer in the same town, also earning a profit of less than a lakh of rupees Neither will be affected by the business profits tax But suppose they decide to enter into partnership to build up a better business which could do better service to the community, they will both fall under the mischief of this tax Separately and singly they will have to pay nothing but when they join together they will pay Rs 25,000 between them What is the effect of that going to be? The effect will be to discourage big business and to encourage the maintenance of small—sometimes uneconomic—units Some of my friend will say "Excellent, we would much rather have the small man"

But do my friends really believe that the small business man can provide the answer to the problem of how to industrialise, that the small man can provide the finance, the technical knowledge, the experts and to the like? The small man can only function where great capital, great machinery and great technical knowledge are not required He can be a grocer but not an industrialist It is fanstastic to think that you can build up industry in this country and at the same time discourage people from forming units of a size to make that industry an economic proposition I will say no more about that now but we shall have much more to say about it later

The capital gains tax gives cause for a little comment in passing, but I will not dwell for long on it as we will have another occasion to speak about it It is quite clear to my mind that a tax of this kind, in spite of the excellent intentions of the Finance Member it will have another effect from that which he intends Take for example a man starting a business What does he want? He does not only want income He wants to appreciate his business and to get a better price for it in ten years time Is he going to be encouraged to do that by this capital gains tax? To put it in a different form, it also amounts to a tax on the depreciation of the rupee Suppose I bought a house five years ago for Rs 50 thousand Today I sell it for Rs 80 thousand I am not a profiteer by reason of having done this because I cannot buy a house in place of that house for even the Rs 80 thousand received as a result of my transaction I am worse off than I was when I first bought it Yet my Honourable friend says "you have earned a profit of Rs 30 thousand and you must pay tax on that" It does not seem to us a well thought out tax I will discuss this also in more detail at a later stage

One other point I must make before I leave this subject and that is we take particular objection to the fact that this tax has retrospective effect It has perhaps not been appreciated in this House that the tax will be paid not only on capital gains in future but on capital gains made at any time as far back as March 1945 How can you reasonably ask people to pay the tax on capital gains which occurred twelve, eighteen or even twenty four months back? Take the case of a man who sold his business last year When he sold his business he must first have considered whether it was worth while selling and he decided that he will do so if he could get so many lakhs of rupees for it He sold it at that price with no idea that nearly two years later he would be asked to come along and refund part of that capital gain to the Government It is not sound to interfere with past transactions of that kind I do hope when this Bill comes to be considered in detail that the Honourable Member will give a most careful consideration to this aspect of the question

As for super tax I will only say this that many of us believe that the existing rates are already almost at saturation point in the circumstances of the country The new rates appear to us to be little short of fantastic It may not have been generally recognised that the rate of increase in the rate here is far steeper than in the United Kingdom Here you are to pay tax at a maximum rate on Rs 1 lakh twenty thousand while you only pay the maximum rate on three times that amount in the United Kingdom—on 20 thousand pounds I cannot stop to discuss this in detail except to say that this kind of crushing tax will drive the first class industrialist out of business People will not go on working and planning, building up great organisations, when they themselves are prevented from reaping reasonable profit from doing so

The last point I have to mention concerns the export duty on tea I am not primarily concerned with this tax because it is a tax on tea I am not particularly worried about it as a representative of the producers I am concerned with it far more because I believe that the whole principle of export duty is a dangerous principle It is a tax which almost invites retaliation and which might result in the division of the world into water tight trade compartments I object to it because it is a kind of tax which may kill the goose that lays the golden eggs The Finance Member thinks he is safe for the moment because Java is out of production, but the principle of imposing export duty is very likely to result in playing into the hands of our business rivals I object to it also because it seems to me a form of profiteering You are saying in effect "We can afford to put this duty because the commodity is in short supply, other nations will have to buy from us whether we profiteer or not" You cannot defend the moral basis of a tax of this kind I shall speak about this at a later stage

Finally, let me say this that these taxation measures at this stage have to be considered not individually but as part of a general picture It may be that industry, business, professions could stand one or another of them But we in this group do not believe that business in this country can stand the crushing effect of these combined taxes There is opposition throughout the country—opposition not from people who in the past have proved themselves unreasonable or unwilling to help Government in their financial and taxation measures, but opposition from people who have been willing to bear excess burdens and who have often been the first in the House to support taxation proposals We trust that the Finance Member will see the reasonableness of the opposition and see how far he can go to meet us I want to suggest to my Honourable friend that it is desirable that at this particular period in Indian history new taxes should be introduced with the consent and even the goodwill, if that is possible, of those who have to pay (Interruption)

I say it is a travesty of truth to maintain that economic interests never support taxation which hit them

[Mr P J Griffiths]

All I want the Finance Member to do is this I want him to see if he can call a conference of the representatives of the different parties in this House Let him put before us his difficulties and let us put before him our objections and difficulties with regard to the various kinds of taxation that he has proposed It may be that if we have a conference of that kind there will emerge an agreement, together with modifications which he may be prepared to accept and which may make it possible for us to support his taxation proposals, and so ensure that they should go to the country with a guarantee a goodwill and reasonable reception It is in no spirit of opposition that we speak We speak with a full sense of responsibility when we say we believe that this taxation scheme is unsound and will bring to this country not prosperity but detriment Today we are building the foundation of a new India There are two ways of doing so One way is the way adopted by contractors in many parts of the world making the foundations look all right but having no depth beneath them The other consists in laying genuine foundations Let our taxation proposals be so well considered that through them we may lay foundations on which can be built the superstructure of a great, prosperous and happy India

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

The Assembly re assembled after Lunch at Half Past Two of the Clock, Mr President (The Honourable Mr G V Mavalankar) in the Chair

Mr Manu Subedar (Indian Merchants Chamber and Bureau Indian Commerce) Sir, the Finance Member or any Member of his Department is not here

Mr Siddiq Ali Khan (Central Provinces and Berar Muhammadan) His Secretary is there and there he comes himself

Mr Manu Subedar I would like to welcome and to congratulate the Finance Minister of India on this historical occasion when we are discussing for the first time a Budget which has not been dictated or directed or inspired from London This is one of the most important occasions in the history both of this House and of this country, and I would like to pay this tribute to him I would further like to say that I resent an attack on the Indian Finance Minister by an Englishman as much as he and his colleagues used to resent an attack and strong language used by me against British Finance Members In the short time that the Finance Minister has been at the helm of affairs he has taken to finance like a duck in water The manner and the tone of his budget speech testify to his great power of grasp- I do not mean grasping money but grasping all the intricate points and delicacies of finance And, Sir, the most significant thing is this that he has himself done, according to his lights, his best to get over the deficit between the money in hand and the money to be spent It is not without significance that he has of his own accord given notice of motions for sending to the Select Committee three of the most important items which are concerned Sir, I cannot help recalling that for the last eleven years we have always voted against the Budget and we have succeeded in most years in throwing it out There is no such occasion now, now it is a different story We have our Finance Member coming before us, and I have no doubt—I do not share the disbelief or the suspicion of my Honourable friend Mr Griffiths—that our Finance Member will not be less responsive or responsible to this House than were some of those men in the past who were overcome by a sense of prestige They all thought that if they yielded to the wishes of this House they were sacrificing the great British Imperial prestige There is no such impediment now to a clear and close understanding of the issues involved I would like to give the Finance Member and this House the standard and historical case where a popular Chancellor of the Exchequer as he then was—Mr Neville Chamberlain—in 1934 brought a measure of taxing profits almost similar to what has been brought now, and in the light of criticisms received he withdrew the whole of that motion In other words a popular minister has got a freedom and he has got the courage and I am sure Mr Liaquat

Ali Khan will not be found wanting in such freedom and such courage to adjust himself to the best interest of this country

Now, Sir, I would like on behalf of this House and this country to convey our thanks to the Honourable the Finance Member for the very robust, strong clear-worded assurance which he has given and the terms in which he has spoken with regard to the sterling balances There is a conspiracy both in the United Kingdom in certain parties and it has got its links also in the United States of America, in Parliament, in Press and in correspondence It has become an intolerable practice now that they are day after day sending out messages detrimental to the interests of this country It is a very great pity that the press of this country keeps on printing such messages and such trash which suggests that India has not made adequate contribution to the war and that Britain is therefore entitled to a counter claim I am very glad that in no unmistakable language the Finance Member has rebutted it, and I trust that his words will be sent out by Reuter's Financial Correspondent who has been most guilty in this matter in sending out wrong information from this country His words that—

"It must also be borne in mind that all this was because we not only bore out full share of our war burdens under the financial settlement, which was freely agreed to between H M G and the then Government of India but also had to strain ourselves to assist the United Kingdom and her allies in various ways"

I will not read more for lack of time

Now, Sir, there is another direction in which the Finance Member has made history and has created a place for himself in history, and it is with regard to Salt Duty This is the remnant of the much hated monopoly of the East India Company when they had a salt line across this country and when there was an endless privation for most people and interference with trade This is the remnant and now that this is being abolished, every peasant in every part of this country is going to know that this is the beginning of self-rule and this is the end of British rule in this country This, Sir, is something which I am very happy has been done at the hands of the first Indian Finance Member and Mr Liaquat Ali Khan has in his portfolio a very great credit on account of this and the gratitude of the whole country

Then, Sir, with regard to the gesture which he made to the poor in raising the taxable limit to 2,500 I say the gesture compares rather small with the gesture in the other direction, and I would request him to consider whether this limit could not be brought up to 3,000, at all events until the period of inflation still lasted and Government were not in a position to check this inflation

Now, Sir, with regard to the tea duty, my Honourable friend, Mr Griffiths, raised the moral issue as if India was doing something immoral and was profiteering on tea which was grown here The Labour Member will doubtless attest to the condition of the labour in tea gardens But I say that the Finance Member has acted in this direction also according to the declared wish and the real interest of this country It is too late really For the last six years tea has gone out from this country for others at a price much less than the price which this country was made to pay for tea, and if now the Finance Member, when he is hard pressed for money, raises this issue, surely there is no condemnation attached to him on moral grounds as my Honourable friend suggested In fact my Honourable friend contradicted himself In the first part of his speech he said that profit motive was the driving force of enterprise and production and then he tried, when it applied to certain other interests to appeal to high moral ideology I want to bring to the notice of the Finance Member that the person who most condemned him has contradicted himself With regard to the tea duty, there is not a single dissentient voice in this House that it is not a properly placed duty

[Mr Manu Subedar]

We commend and welcome the measures which he has announced with regard to the Reserve Bank and with regard to checking of speculation I would merely say that it is not well that speculation should be checked It should be taxed and if he examines it he will find that he has more money in taxing speculation which is anti social in most of its aspects, than taxing any *bona fides* business or production

The deficit of Rs 56 crores has been worked out I would like to mention Government's failure to collect Rs 16 crores with regard to the explosion which happened in Bombay, which was entirely on account of allied measures and in any case His Majesty's Government must be responsible for it, if not the other allies It was in American ship in which the fire took place first I do not want to go into it but I want to say that there is 16 crores almost coinciding with the amount of deficit which has been indicated after all these taxes have been put It has been indicated whether this deficit could not be met by economy Government have very large balances in their hands and whether it is necessary not to cover a portion of this with existing balances and lastly that this deficit is coincident with, and therefore caused by Rs 45 crores which is set aside for grants to provinces Has the Finance Member examined closely whether provinces which have surplus balances and which are rolling in wealth, are entitled to and must be helped by the centre by methods of taxation which he has adopted and whether it is not time to call a halt? What has happened to the Australian Delegation which was going to decide the manner in which the distribution of central money was to take place? Where is the money for the Centre to distribute and is it necessary to raise all these hopes which are being raised in the provinces? I am glad that the Finance Member has indicated that so far as loans to the provinces are concerned, provinces will have to look to their own credit and very rightly

In the case of economy, we welcome the Economic Committee which he is putting down, and I would suggest from what has come to my notice, that Mr H M Patel has been making very good progress with regard to the amalgamation of the Departments of Agriculture and Food, if that is so, isn't it right that if he could be spared, I would like the Finance Member to examine whether such an official could not be put down straightaway into the initial fact-finding business with regard to the fourteen overgrown departments of Government, and lastly a word about the Defence Department

Sir, the Defence Department is guilty of scandalous neglect with regard to demobilization These are not the figures which we were told would appear against the Defence Department and they have been scandalously neglectful I do not think, if left to themselves and by themselves they would ever come down and I feel that now that there is peace, now that there is no emergency now that the war issue cannot be raised, I wish the Finance Member will extend his long hand of financial control and also of the economic drive so far as the army is concerned The economy itself during the next year, if examined, would cover most of the gap that we have The point to consider is whether in order to fill up whatever gap remains after very close examination it is necessary to resort to direct taxation on this very huge scale I would like the House to see some figures which I give them with regard to direct taxation in different countries In the U S A direct taxation is 56 per cent of the revenue before the war as against 73 per cent In the U K it is 56 per cent as against 64 per cent Now I want you to notice the figures for India and I trust the Finance Member will reflect on this phenomena In India direct taxation before the war was 21 per cent It has already risen to 67 per cent and the Finance Member now proposes to raise the direct taxation to a very much heavier percentage Then Sir, it is not a permanent solution of the business It is a patch-work solution because I do not think the Finance Member could have given all that thought to

this subject, which, it was indicated by his predecessor, was necessary May I read from his predecessor's speech with regard to the appointment of the Taxation Committee He said

"That in order to produce a properly balanced 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"

In other words, a committee had to examine all this and to examine without deterrent effect to any initiative or private enterprise Is it possible, Sir, that within the very short period when numerous political and other important events were occurring outside that the Finance Member has given all his attention to the whole taxation system and have now devised a scheme which answers most of these conditions? I think it is not possible and I think it is very necessary in this matter to avoid any misplaced confidence particularly because already the effect of direct taxation in India is regressive It could be seen in every figure it has produced in respect of apparently inflationary conditions The thing is shrinking and if it is shrinking could it be relied upon for all times as a permanent basis'

Now, Sir coming to the business tax, which is proposed to be levied, I would like the House to notice that all the apprehensions expressed from all sides should not be altogether without some ground I will say straightaway that I dissociate myself with the section of the press which has attacked the Finance Member as having adopted a vindictive spirit That is a wholly wrong attitude and it is an entirely misplaced use of words What vindictiveness? And against whom? He is faced with a difficult task and he is doing it according to his lights in the best possible manner But I think it is the wrong type of attack I have no sympathy also with the outcry that everything is ruined and everything is finished And I do not think that these taxes are in themselves of a wrong frame or they could not find a place in the tax system of a country but I am emphatically of the opinion they are mis-timed Psychologically they come at a wrong moment when the Indian situation and conditions have not sufficiently settled down, and it would be most inadvisable to push on with these proposals at the time and in the matter in which they are put If these are the very taxes which we have ultimately to consider, I have no doubt that in the Select Committee, and by the type of informal committees suggested by Mr Griffiths, the outline could be worked out But take the immediate effect The stock exchange is the most sensitive measure of present conditions as well as future conditions and the effect on the stock exchanges in India has been remarkable I hope that it will be shortlived and that again the normal procedure would go on But one has to think

Prof. N G. Ranga (Guntur *cum* Nellore Non-Muhammadan Rural) Can not you have it manipulated?

Mr. Manu Subedar: whether by the action of the State it is desirable to create conditions that may precipitate a financial or economic crisis Both these are connected and I do not now want to go into the distinctions which exist for lack of time But I do think that this tax requires close thinking out In industry there are serveral people who are interested —there is labour, there is the consumer and the community which wants the production, there is the small managerial staff and lastly there is the top business men—the manipulator and financier in some cases as you call him But in trying to hit the manipulator and financier, please see that you are not hitting the whole range of other people and you have to see whether the flow of capital in investments for industrial purposes is not seriously checked, whether it will not be dried up, whether the expectation of returns should be so abruptly cut down as to stop development work The question is whether private party

[Mr Manu Subedar]

has to do the enterprise or the State to do it If the state is not yet ready to do it until all the preparations have been made for the state to undertake these large ventures, private parties ought to be permitted to do it in a manner in which their relations with the investing public and the flow of capital on which they necessarily rely are not seriously checked Nor is the Government proposing to create a fund I can understand if my Honourable friend had brought in a proposal in order to create a fund into which all this money will go and that fund will be used for industrial purposes or any other purpose I would merely mention that with reference to the Industrial Finance Corporation Bill, Sir Archibald Rowlands made a statement that private enterprise and private production has to go on and this was necessary and my Honourable friend himself in introducing the Bill in November has used identical language in the Statement of objects and reasons His views could not have changed in a few months Therefore I think there should not be too abrupt a breach with the ideas on which the economy of the country has been based

Take the question of the Corporation Tax Only last year it was brought down by one anna on the ground that it would enable joint stock enterprise to function and to prosper This year the Honourable the Finance Member proposes an increase I say that this is a very abrupt breach with ideas which were only expressed yesterday and accepted by all sides of the House, so far as that part was concerned

There are various changes in the business tax which I would have liked to propose had there been time but I would say this that the business tax hits the small holder of say five shares in any company (the number of such small holders in the bulk is very considerable) whom it is not the intention of the Finance Member to hit As for the big holders, they are already involved in the changes in the super tax limit Now that you have reduced the maximum applicability of super-tax rates to a lower level most of them will be involved in that and therefore your purpose would be well served if you leave the joint stock companies altogether out of the operation of the business tax In the alternative you have still to consider whether the one hundred thousand arbitrary limit which is unjust in its application, to small as well as very large companies whether it should not be altered to some kind of co-relation with the amount of capital employed at 5 6 or 7 per cent after which the profits can be brought in for the purpose of this tax

Lastly I would say that the amount of yield from this tax is terribly underestimated and I think even the 12 per cent if other conditions remain the same would yield more than the amount mentioned by the Honourable the Finance Member

There have been a series of measures taken against black marketeers and those who not only deprive the state of its proper share by not paying their taxes but also rob the community by charging unconscionable prices The measures taken by Sir Archibald Rowlands against these anti-social elements were bank inspection, restriction of bank branches, the one thousand rupee note Ordinance, etc The measure which the Honourable the Finance Member has proposed is one which we all welcome, namely the Tax Investigation Commission I only hope that as the other measures have failed, care will be taken that this measure will not fail The sentiment and enthusiasm of the community ought to be roped in by the Government and then only the measure will succeed and it should be seen that what is set up for a particular object is not abused and innocent parties are not harassed by measures which may be legitimately taken by such a commission in the course of their investigation

With regard to the desire of the Honourable the Finance Member to help the poor I entirely share with him his idealism I share the ideology and feel

that the lot of the poor in this country is unduly bad and I would like to commend to his careful perusal a report which as Chairman of the Cotton Industries Committee I have just signed in Bombay for the Government of Bombay

I would also like to throw out a suggestion for the Honourable Member's examination, as to whether for a period of two years all import duties on such things as steel, cement, sugar, paper, timber and cloth, should not be suspended in order to break the black market in these commodities and to enable the pushing forward of the housing programme of Government in which Government professes profound concern Though Government wanted to encourage with all measures to implement this building programme, they have not so far a single achievement to their credit in extended house building for private enterprise

Then, with regard to the tax on capital gains I may say that when all new taxes are imposed there is an innocent looking excuse For example, when the income tax was imposed it was suggested that it was temporary When the super tax was introduced a 50,000 limit was put in but the limit has been reduced to 25,000 and I have not found anybody suggesting that it should be raised back to 50,000 Similarly this capital gains tax is in my opinion a snare In the U K in spite of their very great financial needs they have not been able to impose any tax in this form and we have gone far to find a model in the U S A In the U S A there are all sorts of allowances and reliefs which are not provided here and generally it seems to me very risky to undertake it The Finance Member has proposed to carry losses This is an age of inflation and every thing is top-heavy and ultimately when we find the proper levels there may be more losses than gains in the next five years I do not like my country's Government to undertake this risk I do not suggest that the Finance Member having anticipated Mr Griffith's attack has put in this tax in order to rope in all the inflated price transactions which have taken place between Britishers and Indians I do not think that that was his direct intention though that will be the effect But if his intention was to touch those who have found the money to buy at these inflated prices that would be served by this particular measure When a man sells his property, jewellery or assets in India either due to distress or death in the family or partition it is not the occasion when Government should come round and ask for a heavy tax The tax is at the same rate as normal income tax If a family's income is Rs 3,000 a year when they sell a house for Rs 50,000 the tax proposed is Rs 25,000 Is this fair? It is in my opinion extremely unfair to impose the normal current rate on what is a periodical and infrequent transaction on the part of a family I think the amount which the Honourable Member expects from this particular tax is an under-estimate In my opinion this particular tax needs very careful revision In any case if such a tax was necessary at all I would not want it to have complications with the income tax I would like it to be an independent levy Put a levy at a flat rate of one anna in the rupee, which will avoid complications I do think that the State will be taking a risk which I would not like it to undertake It is a risk to carry forward losses Even the Finance Member has accepted the position and the worst that can happen will be that the transactions will cancel each other out It may not happen at all You have to carry forward losses on behalf of a family for many years You will ultimately have to do what has been done in France and Germany, *viz*, confine this tax to the sale of shares and for a period of six months All sales within six months only should be liable to it The whole question of this tax needs very careful examination

In conclusion I will only say that a popular Finance Member who presents for the first time a budget in this House will not be less responsive or less responsible to the sentiments and feelings of this House on the proposal which he has made and I am sure the bogey of prestige will not intervene in the way in which the Finance Member handles these proposals in the Select Committee

as well as in this House

Sardar Mangal Singh (East Punjab Sikh) Sir, I congratulate the Honourable the Finance Member for his bold speech which he made as the first Indian Finance Minister His speech was a definite break with the past I noticed on that day that the papers of his speech were tied not with red tape but with a green tape which symbolises with the fact that the democratic regime are ushering in an era of prosperity and well-being in which all alike will participate He made the welcome announcement of the abolition of the salt tax which is not only a concession to public sentiment but which I think is an act of the greatest justice to the millions of poor people of this country He also announced the nationalisation of the salt industry He then went on and announced the nationalisation of the Reserve Bank and the control of stock exchange and of the financial settlement All these were welcome news for which the Honourable the Finance Member deserves the sincerest congratulation and gratitude on behalf of the people of this country He also announced that the exemption limit of income tax will be raised from Rs 2,000 to Rs 2,500 Here I must confess that he was a little bit harsh This exemption limit should have been raised to at least 3,500 or 4,000 In this age of inflation people with incomes of Rs 300 a month are hard put to carry on He should consider the difficulties of the lower middle class people who find it difficult to make both ends meet

3 PM

Then there are the taxation proposals against which a great howl is being raised I do not propose to deal with them in detail, but I would request all these big millionaires to come forward at this time and help the country which is in difficulties Our National Government wants money to cater for the lot of the poor people, and where is this money to come from? My Honourable friend, the Leader of the European Group, and my Honourable friend Mr Manu Subedar said that these taxes were very crushing But they did not suggest any other means as to where this money is to come from which is needed by the National Government I hope that Indian businessmen are patriots They are lovers of their country They will gladly come forward to agree to these measures and probably to much more harsher measures to help the country to come out of this difficulty My Honourable friend the Leader of the European Group said that our masses want education and we must raise their standard of living If the National Government has to do that they want money And money can only come from those people who have got money This is a straight and simple position Why all this howl? All these millionaires have heaped up a great mass of money during the war How have all these textile millwallahs behaved during the last seven years? They have sold cloth and they have flourished on the miseries of the poor Indian masses Today I cannot get any piece of cloth at Connaught Place or any other place But if I am prepared to pay five times the price I can immediately get any quantity of muslins and various other kinds of cloth Who is doing this? All these people are now coming forward and saying that this taxation will crush industry My Honourable friend the Leader of the European Group said that unless there are sufficient profits these people will not come forward I can tell him that I expect a better standard of morality from my own country men They will not work for profits They will work for the great ideal of service to humanity They will come forward even at some sacrifice to help the country and I therefore request the Honourable the Finance Minister not to be hustled in by this great howl of various millionaires of the country

I welcome the setting up of an Investigation Commission I will request him to look into another matter in this connection The press of our country is going into the hands of the millionaires This is a dangerous development I will request the National Government to make such arrangements that the press of the country is really able to voice the feelings and sentiments of the people and not of the vested classes only There is great competition going on among the

millionaires of the country in this matter—Tatas, Birlas and Dalmias I say this is a dangerous development and the government of the country should take early steps in this direction Otherwise they will be too powerful They will not allow the National Government to follow the programme which they intend to do

Dr. Zia Uddin Ahmad (United Provinces Southern Divisions Muhammadan Rural) Ration the ownership of the newspapers

Sardar Mangal Singh I have given a hint It is for you to follow

Coming to another aspect of the Budget, namely planning, I must confess that the Honourable the Finance Member was halting and lukewarm The Government of India have planned a five years programme My Honourable friend the Finance Member has planned and we have had so far only one year's plan He says

"Until the constitution of the authority or authorities to which the powers and functions of the present Central Government will be transferred is known, it would be hardly prudent to rely for the quinquennium in question on a system of provincial and Central finance based upon the existing constitutional structure But as I have said before, this does not mean that for next year we should not proceed with our economic programme "

Planning for a year is a very short term planning Nowhere in the world has such a planning been attempted and I hope that the Finance Member will review the position I am reminded of his remark that until the constitutional position is known, planning cannot be proceeded with I wish to submit that planning can be taken up irrespective of what the political developments may be We have to plan for the people The worst thing that can happen is that there will be more than one Centre and in that case the liabilities could be divided and could be proportionately allocated to the different regions I do not think this political settlement should stand in the way of planning The Finance Member has taken a gloomy view of the long term Central planning Unless there is a Central direction of the planning, it will be difficult to carry out any effective planning and it is not advisable to carry on plannings in various places of India I think the Honourable the Finance Member has fallen in line with the orthodox school of finance He has recommended measures which would no doubt lower the cost of living I sympathise with him in this matter but I wish to sound a note of warning in this respect He has appointed a Commodity Prices Board and he has recommended in his speech the appointment of a retrenchment committee which he has called in soft language an economy committee Now he wants to bring down the prices by arbitrary methods of price control and by retrenching people and thus producing unemployment Now, this will be a dangerous thing I wish to remind him that in England, Australia and Canada and other agricultural countries they are producing a great many things and in the very near future those consumer goods will be dumped in India at a price below the production price and if we also in this country produce unemployment and reduce the price of things arbitrarily without producing any consumer goods, then it will lead to black marketing, unemployment, uneasiness and the country will be going forward to the crisis which we had in 1931 32 In a country like India, the per capita income is very low and inflation can be fought with more production but not with arbitrary fixation of prices I hope he will look into this aspect After all inflationary methods have something to recommend themselves Even at this time if we finance our industries and our business by inflationary methods, I am not one of those who will get unnecessarily panicky. I do not mind if money is expanded and our economy is financed so that the lot of our people may become better than what it is now

The Finance Member in his speech reminded the provinces that they can borrow and they can improve their resources Last year the Finance Member introduced an Estates Duty Bill about which he has not mentioned anything The proceeds of this are to go to the help of the provinces and about borrowing

[Sardar Mangal Singh]

I wish to ask what is the policy Has cheap money succeeded last year and does the Finance Member think seriously that the provinces will be able to succeed where the Government of India have failed I would therefore ask him to take steps to provide money for the provinces to carry on their future planning and raising the standard of living of the people I would not take up any more time now I wish to mention some other facts but I shall do so at a later stage when the Finance Bill comes up for consideration

Sjt N V Gadgil (Bombay Central Division Non-Muhammadan Rural) I shall try to confine myself within the directive which you pronounced early this morning The fiscal policy of a country, as I understand it, is not an end in itself It must subserve and be subordinate to the national policy and from that point of view I propose to offer a few remarks which I hope the Finance Member will take in the best possible light

In his speech he stated that he had kept before his eyes certain social objectives and he was rightly eloquent over the fact that in this country the inequalities in wealth were so much and so distressing that the time had come that something must be done towards their removal I propose to discuss the Budget both from the fiscal point of view as well as from the point of view of social objectives It is clear from the various facts and figures which the Finance Member gave that there is going to be a big deficit Some of us may not agree with the estimates about revenue, the estimates of expenditure but allowing a fair margin the fact remains that there will be a considerable deficit and it is no prudence or financial wisdom to allow deficit year after year and therefore in order to keep the credit of the country in a perfectly sound condition, it is necessary that something must be done towards wiping the entire deficit or at least to do it to a substantial extent Therefore it is clear that there is a case for increase in taxation If that is so, we have got to see in what way we can increase taxation bearing in mind that every tax has to be considered from a number of points of view—its effect on production, on distribution, on the ability of the nation to save and the psychological effect on the individual and the community If we were to judge the proposals by these tests, it will be found that they do not answer substantially these tests In the first place he stated that his object was to remove inequality Of all the institutions that go to contribute to the economic life of the country, none is more responsible for the perpetuation and promotion of inequalities than the institution of inheritance My friend Sardar Mangal Singh was quite right in referring to the fact that the Death Duty Bill was already before the House It was circulated by an executive order for eliciting public opinion I may also tell the Finance Member that it is perfectly consistent with the Quranic injunction to which he referred in his speech, because it is that institution which circulates wealth in a very small circle Death duty is already a part of taxation system in modern Turkey as well as in Egypt So there cannot be any objection on religious grounds so far as that duty is concerned

I submit the economic aspect of inheritance is much more than most of us are prepared to concede It means power, not only social power and political power but power in the economic and industrial field Therefore, if he is so anxious and he must be anxious from the general point of view to remove inequalities as far as possible, he should proceed straightway with that Bill for the imposition of death duties

Now, so far as the present proposals are concerned, they virtually answer only one purpose, namely, they have some sort of effect on better distribution of wealth But distribution is a consequential thing although it is of great consequence The primary thing is production Now, I have got to consider whether all these proposals taken together will affect the production of wealth in this country in the way in which he desires An apple, although it may be cut into equal pieces, will not create another apple For that, some other remedy has got

to be found The Indian capital is no longer shy I have seen some of the criticisms that have been offered in the course of the last two days about the budget proposals and it is impossible to conclude that the Indian capital or capitalists are shy I do not want to say what it is, but one thing is clear If in the present circumstances, we are not able to get on with them for some time, they can certainly mar the future of this country I may tell this House that I hold no share in any industrial or commercial concern I hold one share in a newspaper concern, but it has been repressed so often by the British Government that during the course of the last 12 years I have not got a single farthing by way of dividend Another share I hold in a co operative credit society, to which I have often to go for loan If, therefore, I make some suggestion, I am sure it will not be misunderstood, as I hold no share and I hold no brief for anyone except myself and the common man to whom the Honourable the Finance Member is so anxious to help Now, what I want is simply for the common man What I want is that the standard of life of the common man must be raised What I want is that he must be at least a little more happy than he has been so far Now you must have seen that all over the country we find strikes and retrenchment Now, retrenchment means that there has been less and less employment, and there cannot be employment unless more and more industries come into existence or the old industries expand Increased production is the need of the hour Now, I am taking all these taxation proposals together and I agree with most of them in principle but I am yet to be convinced that they will help in stepping up production If the Honourable Member is able to convince me that as a result of these taxation proposals, production will not go down but on the contrary, will go up at least a little higher, then I am with him

Khan Abdul Ghani Khan Is there any country in the world where taxation has proved to be an incentive to production?

Sjt. N V. Gadgil I agree with you there but the reality is that if you do not want any personal incentive, then you must have nationalisation The profit motive must be substituted by the motive of public service, and that is exactly yet to come It will not be enough if only a few individuals are actuated by public service motive It must be a part of the social psychology I agree with Honourable Mr Ghani that the industrialists and the big capitalists do not deserve any sympathy I know that the ideal of a finance system is that the taxation must be fair and just and that it must secure the maximum social and economic benefit But this ideal is often qualified and modified in this imperfect world by the psychological and political factors and the economic theory and doctrine rarely get full chance to work When I first heard his speech, I was happy and I am still happy I am not sorry at all, because these millowners and the capitalists have robbed the country in the last six years so much that one must possess an extraordinary amount of generosity to forgive them or even to talk one good word about them But having said that my problem is not over Abuse does not solve it My problem is how I can go ahead with full employment? How can I go ahead with increased production, so that what the Honourable Member has in view, namely, the improvement of the common man's lot, is achieved I therefore, respectfully submit that we must, when we agree that there is a big deficit, help the Finance Member to make up that deficit to a considerable extent What are the means and what is the mechanism whereby we can do it without harming the industrial structure as it is today, is a responsibility which is not so much on him as it is on us When I say that the responsibility is on us, it is precisely because the political circumstances have changed and he would not like his Finance Bill to be certified because he is a member of a Government which, though not technically responsible, is in reality responsible to this House Therefore, he would like to meet the wishes of the House But he must be convinced that his proposals are, though

[Sjt N V Gadgil]

conceived in the best interests of the country, not calculated to increase production I, therefore, suggest that it may be by modifying some of them and even by abolishing some of them because there is no prestige involved in a good cause, we may be able to create conditions under which production will increase But I still think that there is no necessity to reject them I have given some thought to all the four proposals I do not think they deserve rejection At the same time, I do feel that some of them may be modified with the sole view of securing money needed and production desired Today we are all talking about the black marketeers and the tax-dodgers, who have all made enough money That money will not come from its underground existence into the open market But if you allow it to be encouraged, it will all come out within the course of a year or two and then you can swoop on them It is a matter of tactics, it is a matter of understanding What will happen today if we go ahead with these proposals? Those who have become rich, I call them the new rich, the Government contractors, the bribe givers and the bribe takers, they will think ten times before they invest their money, because they know that investment will yield nothing So, they will spend their money here and there They will not buy property because you are also coming on the buyers of property with a heavy hand Therefore, you must allow them sometime so that they may feel secure that there is nothing doing now They can then come out in the open market and you or your successor will nettle them all right when the whole money comes out in the open market That is how I will put my strategy before this House (*An Honourable Member* Here goes the wily Mahratta) I do not exactly relish that compliment, but if 'wily' means a man of wisdom, I agree

I do not want to take any more time of the House, let others may have a chance I only want to suggest once more that let us understand that when everything is unstable in this world and when the Finance Member says that the transfer of power is impending, we should have it in peaceful atmosphere I agree with him when he says that when the transfer comes it must not be a transfer from the Imperialists to Indian multi-millionnaires and the big bussiness Therefore it is all the more necessary on our part in this critical moment to see that on the one hand the present industrial organisation remains intact to answer the purposes which we have in view for some time, and at the same time to see that money's power of mischief is crippled to a very large extent

The Honourable Mr Liaquat Ali Khan (Finance Member) That is what my proposals aim at

Shaikh Rafiuddin Ahmad Siddiquee (Chittagong Division Muhammadan Rural) I congratulate the Honourable the Finance Member for the unique, unprecedented, and historic Budget that he has presented to this House as the first Indian Finance Member of this House I say that the Budget is historic and unique and unique because it is unprecedented in the history of British rule for the last 250 years in this country In the past we found that the old bureaucratic Government always taxed the people of this country for the upkeep of the fat salaried officers and maintaining White Army for continuing British Imperialism in India I am glad to say that this unique Budget has neither touched the pocket of the middle class people nor the poor, but it has only touched the pocket of those who are rolling in wealth Speculators speculated in many things but all their speculation ended in smoke I am not unmindful of the fact that most of the Industries in India are already in a crippled state and have not yet been able to build up adequate reserves for the dark days of the future My humble suggestion is that the infant industries of this country should not only be given adequate protection from foreign competition but Government should also subsidize such industries when they are in need

I thank the Honourable the Finance Member for the relief that he has given to the people whose income is below Rs 2,500 I should have been more glad if he had given relief to those people whose income is not more than Rs 500 per

month because in these days the prices of all commodities have risen more than four or five times, and people whose income is round about Rs 500 per month can hardly maintain their families and educate their children properly My humble request is that the Honourable the Finance Member should find out ways and means of giving relief to those whose income is not more than Rs 500 a month, and he should tax the richer people for the benefit of middle and poor classes

I am also not unmindful of the fact that the Government requires more money for the ever-increasing nation building projects, uplifting of the masses and for her defence services in order to protect India from foreign aggression Indirect taxes should in future be raised more carefully so that the people may not feel the burden of taxation and it should be with the object of running the Government more efficiently

I also congratulate the Honourable the Finance Member for the heroic stand that he has taken in the just cause of India in connection with the sterling balances due to her, and the proposed nationalization of the Reserve Bank of India

I once more congratulate the Honourable the Finance Member for the abolition of the salt tax but I would have been still more happy if instead of abolishing this tax, the entire income of the salt tax had been earmarked for the uplift of the masses—imparting free education, free medical aid, and rehabilitation of the poor people—in addition to the relief which the Government now proposes to give The abolition of the salt tax sounds very well, but in actual practice it will mean very little relief because the law gives liberty to the people to manufacture salt for their own consumption, and those who are unable to manufacture it would not mind paying half an anna or one anna per seer The middle men and retailers will of course be benefitted

As far as I remember, the late lamented Gokhale once tried to double the salt tax for the mass education of the poor but he was unsuccessful in his attempt in those days of bureaucratic rule

With these few words, I support the Budget

Dr. P. G. Solanki (Nominated Non Official) Sir, I most heartily congratulate the Honourable the Finance Member for bringing forward this Budget this year This is a Budget for the relief of the poor man, and not for the big capitalists and big merchants and mill-owners who have hoarded large amounts of money during all these years of war There are two sides One side is finding faults with this budget by declaring that it is a crushing blow to the industries of India when India is trying to be more industrialized and when the administration is in the hands of the people's Government Sir, if India is not to be helped by these over-rich people, who is to help it? The British Government during their times always taxed the poorer classes and the masses At that time none of the members in this House who belonged to the class of capitalists ever spoke a word against the taxations proposed by those Governments, but this time when the taxation falls on the broad shoulders of the rich people, there is such a hue and cry all over the country, and the cry is from the merchants and Indian Chamber of Commerce, as well as the European Group My Honourable friend, Mr Griffiths, says where is the money to come from, when the industry is going to be ruined From my own knowledge I can give you the source Money will come from the Indian capitalists who have always been particular about getting big interests on the capital which they lend to people who want to start some sort of business and Industry Take the instance of the cinema industry, in cities like Bombay, Calcutta, Delhi, Karachi and Madras I find people coming to these cities from all parts of India to start this cinema business Those people who want to start this business have no money But somehow or other they do find out a financier who has his money hoarded up lying idle without interests Such financiers are always available and they charge very high rates of interest

[Dr P G Solanki]

on the amount they lend Such people are interested and are anxious to get the interest money regularly They do not worry much about the capital because the new concern started is in the possession of the financiers They know that they can recover the capital from the assets In the same way, big capitalists and financiers may not in the beginning come forward to help, but later on there will be many monied people coming forward to lend big sums on such industries provided that they are assured of a good interest on their capital Mr Griffiths has said that the poor man needs relief The poor man and the people from the masses do require education, food, clothing, good houses, medical relief, etc , and other necessities and amenities of life Whose fault is it that these poor toiling masses who are labouring hard to take out their maintenance get nothing ? In fact they cannot get even half a day s meal because the people who engage them as labourers exact very hard work from these needy labourers, generally have no sympathy for these half starving people Many employers of labour always grudge to give them sufficient money which may give substantial relief to them Because of the parsimonious, miserly and greedy habits of these rich people, the labouring classes are always in need If only these rich people were generous and liberal the workers would be a bit comfortable There are honourable exceptions of some generous people in this country who have always supported the poor people and paid them handsomely and liberally They are few and far between

Sir, this budget has been brought for the benefit of the poor and the middle classes This budget has been known as the common man s budget Its first relief has been the abolition of the salt tax It was the cherished desire of our great Mahatmaji to abolish this tax long time ago After great agitation and fighting with the Government for years together, after long last the present people's Government s Finance Member has come forward with courage and boldness to declare the abolition of the salt tax which the British Government could not do Last year the budget brought by the then Finance Member was known as the Capitalist budget or Rich man s budget This year it is known as the "poor man s budget" and relief has been given by the abolition of the salt tax Mr Griffiths cannot realize it but the poor man in the villages and the poor workers in the leather industries will be very much benefited as well as the agricultural and chemical industries because they need it for carrying on their chemical and scientific industries The result is that such men will be much encouraged to carry on in their own business and industry

Coming to the education of the poor man, in the villages it is very much needed I bring to the notice of the Honourable the Finance Member that the amount of Rs 3 lakhs which has been earmarked for the education of the scheduled classes is very inadequate This amount must be increased to Rs 10 lakhs This increased amount of money is spread over ten to eleven provinces and as the money is going from the Centre, it should be distributed according to the needs of all the provinces for the benefit of the scheduled classes I earnestly request the Honourable the Finance Member to sanction this amount of Rs 10 lakhs in the budget this year 1947-48

As it is well known and I need not dilate at length upon this, need of the Scheduled castes The cause of the Harijan is dear to Mahatmaji, and his admirers and followers to some extent through the Harijan Seva Sangh But it is Government's duty to bring up these downtrodden and most neglected section of the people of India by giving them very good education throughout India

I do not want to take up more time but I wish to give my heartiest congratulations for the courageous statement of the Finance Member to come to the rescue of the poor people though he knew that all the rich and the multi-millionaires will come down upon him and criticise this budget ruthlessly They have been doing that for the last few days through all the papers and the press

which are under the control and ownership of these big capitalists It is a great nuisance and a danger to the country that most of these papers have been bought over by these capitalists They get published articles in these papers giving coloured and false news to misguide the ignorant illiterate masses The result is that they are exploited by such vested interests through their agents and such organs—labourers, workers, and the masses are unaware of things which are happening in the country politically as well as industrially

With these words I again support most wholeheartedly the budget which has been placed before this Honourable House

Pundit Thakurdas Bhargava (Ambala Division Non-Muhammadan) (The Honourable Member spoke in Hindustani For Hindustani text see Appendix to the Debates for the 3rd March 1947 English translation given below — *Ed of D*

Sir, I offer my sincere praise for the budget to Honourable the Finance Member who possesses real sympathy for India in his heart I feel happy that the first Indian Finance Member has placed a budget before the House the idea behind which is a source of joy for everybody First of all, I congratulate the Finance Member for what he said about the Salt Tax and the action he has taken in this respect. On the 27th March 1946 while discussing the budget I said "Every poor man wants that this Salt Tax should be taken away I should, therefore, think that this Government will never understand the implications of this duty, and as I submitted before the first act of the first National Finance Member would be to take away this duty

I am glad that my prophesy has come true today At that occasion Mr P J Griffiths (Assam European) jeered at me and said, "He will probably double it" I replied, "Let us wait and see' Mr Griffiths in reply said, "He will have to' With due deference I say that my prophesy has come true and Mr Griffith's prediction has proved false Taking advantage of the occasion I do not want to go into the reasons for which a number of persons opposed the abolition of this tax I will content myself to saying that today is the occasion of jubilation for everybody—whether rich or poor—inasmuch as the abolition of the salt tax is beneficial to everybody

Secondly, I congratulate the Finance Member for raising the minimum exemption limit for income-tax from Rs 2 000 to Rs 2 500 for the benefit of the lower and middle-class people It would have been a matter of still greater joy if he had raised the limit instead of Rs 2,500 to Rs 3,000 or Rs 3,500 but the deficit was so great that he did not think it right to go beyond this limit Moreover, I offer him praise for the words which he has used in his budget speech in respect of the Sterling Balance No stronger words can be used to plead the case of the country I know the Honourable the Finance Member has real sympathy in his heart for the people of India He would certainly take similar courageous stand when discussions take place regarding Sterling Balance between the British and the Indian representatives The Finance Member has said on page 25 of his speech "India is a land of glaring contrasts and disparities It is true To remove this condition several plans have been proposed of which I will speak later on At present I will, with due deference draw his attention to one such "glaring disparity" I have been referring to it for the last 20 years on the floor of this House It is this

Shri Sri Prakasa. Look there is disparity between the Finance Member's and my clothes

Pundit Thakurdas Bhargava Sir, in a joint Hindu family of a father and three sons with an annual income of Rs 10,000 the tax will be levied on Rs 10,000, that is to say, according to the minimum exemption limit of Rs 2,500 each member of a Hindu family of four persons will have to pay the tax although his income amounts to Rs 600 only In all cases

[Pundit Thakurdas Bhargava]

person earning Rs 40 or Rs 50 per month will be taxed while in a joint non-Hindu family whether Christian or Muslim the annual income of Rs 600 of each of its members will be free from taxation I have made calculations in rupees and have reached to the conclusion that according to the new tax a Hindu family of four persons (I give this example because a Hindu family consists of at least 4 or at the most 8 members) that is to say, a father and his three sons, with an annual income of Rs 300,000 will have to pay, as calculated by me, Rs 251,467-8 as as super-tax and income tax and only Rs 48,533 8 as will be left to it If the sons live separately, as they usually live, then each member of the family with an annual income of Rs 3 *lakhs* will receive Rs 1,011—2 as monthly as his share, while a joint non-Hindu family consisting of a father and three sons with an annual income of Rs 300,000 will save Rs 1,66,631 after paying the tax and each of its members will get Rs 3,471 7 8 ps monthly as his share If you apply this calculation to a family with an annual income of Rs 400,000 the disparity will be further manifested

Shri Sri Prakasa: Then change the religion

Pundit Thakurdas Bhargava A family with an income of Rs 400,000 will pay—

	Rs	a	p
(1) Super tax	349,184	0	0
(2) Income tax	190,997	12	0
(3) Special tax	100,000	0	0

thus, out of Rs 400,000 a balance of Rs 50,816 0 0 will be left for the family, and each of its member will have a monthly saving of Rs 1,058-10-8 ps But a non Hindu family earning jointly will pay—

	Rs	a	p
Income tax	28,498	12	0
Super tax	24,218	0	0

thus each of its members will save Rs 47,282-12 0 that is, a monthly saving of Rs 4,000 I want to know what has a joint Hindu family done that its income is reduced to $\frac{1}{4}$th in comparison with others? I point out this disparity because it exists in the taxation also For the last 20 years I have been drawing the attention of each Finance Member to it and each Finance Member, admitting the truth of what I say, promised to look into it We have been told that a Taxation Inquiry Committee will be set up to go into it With due deference I assert that it cannot be remedied in this way You will find this disparity in the new bills in respect of super-tax and Capital gains Besides, may I ask, can a small object be equal to a large one? A family consisting of more than one individuals cannot be equal to a family of one individual only According to this decision the smallest family and a family which may consist of many individuals will be equally taxed This is illegal I know super-tax existed. It was fixed for the members of a Hindu family at Rs 75,000 while for an individual it was reduced from Rs 75,000 to Rs 50 000 Again, the second Conference of the Capital Council defining property gave the following definition of an individual The tax will be levied on the difference between the price of the property obtaining in January 1939, now gone very high and that obtaining at the time of its transfer But, for a Hindu family another measure has been adopted The value of the property at the time of its possession by its previous owner, no matter if it was 20 years ago, will be taken as the standard of its price I draw the attention of the Finance Member to the disparity existing here The basis on which this affair had been put off no longer exists Recently it was announced in answer to a question that a taxation Committee was going to be set up Do set it up, but I shall urge that the exemption limit fixed at Rs 2,500 is very low To tax a family of 5 individual each earning Rs 40 is not just.

I now say something about the tax proposals I appreciate the step which the Finance Member is taking in using government machinery to remove social inequality and economic inequality I have nothing to say against it There are two ways to remove an inequality—one is to raise the low and bring down the high to bring them on the same level The second way is to bring the high so down as to be in the same level with the low The question is whether according to our real objective this budget will aid the poor to become rich or draw down the rich I am sorry it gives no benefit to the poor I am prepared to say that for the deficit of 80 crores not a single pice should be taken from the poor It should be met by taxing the rich I will have nothing to say against it if such a course is taken but we have to see whether this method is right or wrong I appreciate the intention and I do not doubt that the intention with which the Finance Member has worked is good but I am afraid and I feel it essential to say that the House should scrutinize and see if the way which we are following will bring us our objective or not With due deference, I say that it will not be attained by this way because if a country possesses one crore of rupees which is to be divided among its individuals it is impossible to keep it high *per capita* unless increase is effected in the treasury of the one crore We desire that better arrangements may be made for the promotion of industries in this country but if you cut down the high trees this time to nourish a plant what will you do the next time? The bell is given and I have a very little time at my disposal I, therefore, desire to say briefly that the damage that it will inflict upon the industries will not be confined to the dividend alone but will exhaust the reserve also, just as a weak person falls a prey to pneumonia with a slight waft of wind and dies so our industries will be finished The life in them is their reserve and the way we want to tax them will eat away their reserves Besides, the capitalists will not be in a position to give a dividend of 5 per cent

[At this stage Mr President vacated the Chair, which was then occupied by Mr Chairman (Shrimati Ammu Swaminadhan)]

I, therefore, strongly urge that if you desire to see your industries flourish do not allow their reserves to be reduced If you allowed that the poor men who watch the fields at night and the rich men who hold large shares will come to the same level

Khan Abdul Ghani Khan (North-West Frontier Province General) I think the Chairman does not understand the speaker's language How can she conduct the proceedings?

Pundit Thakurdas Bhargava. It is very difficult for a member to say what the Chairman understands and what not It is a question of language You may ask the Chairman about it

Mr Chairman: The Honourable Member may proceed with his speech

Pundit Thakurdas Bhargava I was saying if these reserves were reduced, the blow that these industries will receive will be unbearable and so it is not proper to reduce them I don't say that you don't tax the income, tax them as you please but see that it may not adversely effect the poor and the middle class people As the bell has been given and other members have to speak I say no more

Khan Abdul Ghani Khan: Madam Chairman, I have had many occasions in my life to feel thankful for the fact that I am not a financier but lately I have felt specially thankful that I am not one because most financiers in India are suffering from acute economic indigestion, since the Honourable the Finance Member announced his budget They are going about the place shouting about horrible pictures of things to come—industry will be paralysed, progress will

[Khan Abdul Ghani Khan]

vanish and poor Mother India will come to an end in a poor house in disgrace and poverty—if this 25 per cent on profits is allowed to operate That is the chief tax to which most people object and I am going to talk chiefly about that I have received seven beautifully printed circular letters since Friday from various influential and clever organisations and persons, all giving beautiful patriotic reasons why the rich should be spared But no one has suggested who should pay As my Honourable friend Sardar Mangal Singh said this is a very important question That point is allowed to be forgotton by all these beautifully printed circular letters After all the fact is before us that we want Rs 80 crores The deficit is Rs 57 crores and with the recommendations of the Pay Commission it will be Rs 80 crores How is India to get this money? Who is going to pay this money? There is no alternative The rich must pay, because the poor have nothing to pay Morals and ethics apart, the only intelligent way to get money is to take it from a person who has got it After all whose money is it? Money is human labour and human life The labour and sweat of Indians belongs to India and to nobody else India has a moral right to levy any tax If you suspect that the Honourable the Finance Member is going to take all the gold from the rich to *Gute Rana* then I can understand this fuss But if this money is going to be spent on roads and schools and amenities to third class passengers, for grow more food and for making locomotives in India, then why this howl, and especially from such patriotic Indians? I hope they did not mean that third class passengers should pay for amenities to third class passengers when they were so loudly shouting for them in the railway budget The first class passenger must pay not only for the mirror and clean bath room but also for the breathing space for those unfortunate countrymen of ours who pay nine-tenths of the cost of running the railways That is the spirit of this tax and I must say I rather like it The chief argument against it runs like this "Take a company that has a capital of Rs 10 crores—very exaggerated It makes a profit of 5 lakhs—very small profit Take the income-tax, super-tax, corporation tax and this and that It will leave 001 per cent dividend for the company" Such extreme cases are rather rare But I would recommend to the Honourable Member to arrange for proper safeguards for the protection of this financial minority The Bill is really meant to take from those who can very well afford it If it is found that in special circumstances it is found to oppress a person who cannot pay it, that oppression must be removed because it is against the whole spirit of this Bill It must touch only the super-rich, in spite of their howls and in spite of editorials The owner of a small amount of shares in a joint stock company pays as pointed out by my friend Mr Manu Subedar at the same rate as the managing director This pathetic little creature must be protected It will add to the Beauty of the Bill Otherwise it is a good tax It is based on fair moral and social foundations All these dire threats of desolation and destruction are a remarkable index to the hysterical minds of the speakers rather than to the future of India They are under the sad impression that their multiplying wealth is India 95 per cent of Indians are at the very bottom of poverty They have not yet solved the problem of bread which even cockroaches and mice have solved Are they to be asked to pay this 80 crores for running the administration of India? I would like my friends to answer that question when they get up to speak with their little notes and read their little sums and give us patriotic reasons why this tax should be abolished It is one thing to talk socialism and it is another thing to live it It is one thing to talk about the misery of the poor It is another thing to pay for their convenience How do you tax the poor? You talk always about the amenities of the third class passengers, this, that and the other How do we treat the poor? Take the farmer There is no minimum limit for the farmer Even if he has two acres of land, he pays land tax, water tax and so on Is there any exemption for the farmer? There

if he earns Rs 50 a year he has to pay tax His voice is never heard It is only the voice of those who earn in lakhs that is heard Now, take the third class passenger He pays nine times the amount that is paid by the first class passenger and in exchange he does not get even sitting room If he stands in the foot board he is put in prison for all the trouble he takes

It is said that land is under the Provincial Government but I think the provinces should take a cue from the Finance Member and introduce not only a minimum exemption so as to give relief to poor farmers but also put on heavy taxation on excessive incomes from land It is high time that we Indians realised that schemes and plans and amenities and organisations cost money Schools, hospitals and roads cost more money

Shri Sri Prakasa Are there any provisions for these in the Budget

Khan Abdul Ghani Khan Surely there are You must read the Budget over again

Shri Sri Prakasa This is only for balancing the Budget

Mr Chairman One Honourable Member should not argue with another Honourable Member

Khan Abdul Ghani Khan It is the Honourable Member on my right that is arguing He should keep quiet until I have finished We must either learn to pay or forget to ask for these amenities You cannot eat your cake and have it too Let Honourable Members read their election manifestoes once more and then come and make a speech here You cannot talk about the poor suffering masses if you are not willing to pay for it (*An Honourable Member* What about army expenditure?) The army is used for the protection of the properties of the rich people We have come to the choice of ways Again we have to state whom we intend to serve It is a test budget —a test of our moral and political make up No matter how you clothe and how you can camouflage your verdict, you will not hide its true nature The way the House treats this tax will be a declaration of policy, a clear hint to the shape of the likely future of India Happily for us, there is a happy medium We need not kill the duck that lays the golden egg but we need not also make nincemeat of the owner's child and feed it to the duck, just to keep it alive If the Indian industry has become a financial cannibal and cannot live without the poverty and misery of Indians we will do without the industries because we cannot do without the Indians The owner's child is more important than the golden egg

I have saved my praise of the Finance Member till the end He has produced a budget that will make the poor bless him and the rich curse him It is a sure sign that he is along the right way However I cannot help wishing that he and his friends would join the Constituent Assembly and that he should give the whole of free India the benefit of his financial democracy rather than restrict it to the doubtful boundaries of a small section

Mr Tamizuddin Khan Madam, I heartily congratulate the last speaker on the fine speech that he delivered It is for the first time that I find myself in perfect agreement with his views I have to congratulate another person and I must say that I am uttering no mere words of convention when I say that I congratulate the Honourable the Finance Member not only on the unique opportunity he has had of being the first Indian to present the Budget of the Government of India and also on the character and complexion of the budget I congratulate him most wholeheartedly The patriotic fervour pervading his speech is in perfect tune with the pulsation in every Indian heart in eager expectation of breathing the air of freedom in no time to come The budget has redeemed the claim that the present Government of India is a people's Government for the budget is pre-eminently a people's budget What a thrill is it to the poor man that after all his salt is going to be tax

[Mr Tamizuddin Khan]

free It is a happy culmination of the historic fight of Gandhiji for the abolition of this tax backed by widespread public opinion in the country Its withdrawal is no less a triumph for the Interim Government

Madam the time at my disposal will not permit me to make any but a few cursory references to certain salient features of the Budget Over and above the outstanding proposal to abolish the salt tax several other proposals have given almost universal satisfaction in India I may mention some of them I refer first of all to the provision of 17 35 crores for subsidising food-grains but for which the average Indian would have to pay far more than he does at present for his food Secondly, the raising of the minimum exemption limit for income-tax from Rs 2,000 to Rs 2,500, thirdly the decision to nationalise the Reserve Bank of India, fourthly the prospect held out for appropriate action to control speculation on the stock market, fifthly the assumption of financial responsibility for the construction and maintenance of national highways and the provision of 6½ crores in the next year's budget for the purpose, sixthly the arrangements made for the manufacture of aircraft in the Hindustan Aircraft Factory at Bangalore and last but not the least the prospect of early materialisation of the Damodar Project

Madam, there is another matter dealt with by the Honourable the Finance Member which though not directly connected with the present Budget is of vital importance to the economy of the country and which has greatly allayed public apprehension It is his reference to the sterling balances The threat from high quarters to set up counter-claims on unsubstantial grounds which are nothing but after-thoughts against poverty stricken India's hard earned balances, earned at the expense of India's toil sweat and blood to an extent far outshadowing the sacrifices of many other more vocal countries, has given rise to a widespread consternation and misgivings in this country The assurance of the Finance Member that any such attempt to deprive India of her just dues will be valiantly resisted and that no stone will be left unturned for a speedy settlement of this question has been heartening to a degree India to a man will stand by the Interim Government in their effort to secure a just settlement of India's claims

Satisfactory as most of the budget proposals are it cannot be claimed, however, that all the proposals have given universal satisfaction To my mind, herein lies its strength and not its weakness The budget has its enemies though they are overwhelmingly outnumbered by its admirers Here I am not referring to those inside the House like my Honourable friend Mr Griffiths, for whom I entertain the highest respect, but I am referring to those outside the House Though they are few in number, they are a formidable lot and they have already launched their offensive This assault from otherwise friendly quarters will no doubt embarrass the Interim Government I earnestly hope that the Government will not capitulate to big business on this vital issue

The main target, of their attack is the proposal to levy a special income-tax of 25 per cent on business profits exceeding one lakh of rupees It is said that this will give a death blow to the nascent industries of the country This apprehension, even if genuine, is to my mind ill-founded Assuming for a moment that the love of lucre is the only incentive to private industrial effort, the proposed tax or taxes will leave a sufficient margin of profit to provide the required incentive to capital The proposed tax is nothing but a re-imposition of the Excess Profits Tax in a modified and greatly mitigated form There is nothing to show that the E P T served as a discouragement to the growth of industry During the years that it was in force companies were being started in scores both private and public, plans were being made in their hundreds and innumerable expansion schemes were being formulated In a word there was an unprecedented flow of energy in the industrial arteries of

the country, only circumscribed by the limitations imposed by the war The present taxation proposal is no more calculated to curb that urge than was the E P T The real cause of the clamour against the proposal, to my mind, is not any genuinely felt apprehension about retardation of industrial activity but the uncanny inroad that the Finance Member proposes to make into the pockets of the multimillionaires The Interim Government have been unnecessarily placed in a difficult situation in this respect by the injudicious withdrawal of the E P T last year I hope after the first shock, which has had a staggering effect on the profiteering mind, is over, the true import of the proposed measure will be more clearly appreciated and there will be no cause for apprehension that it will induce a set back in industrial growth I do not mean, however, that the proposed legislation should not be carefully scrutinised by this House This and the other taxation Bills should be critically studied and discussed and if there is anything that is really likely to retard the growth of industry, appropriate amendments should be made to rectify any such *lacuna* As far as I can see at present, shareholders of certain companies may perhaps be adversely affected and deprived of a reasonable minimum dividend This may have a tendency to make capital shy If this apprehension proves to be well-founded on scrutiny, it will not be difficult to provide a proper remedy I agree with my Honourable friend Sardar Mangal Singh that there are amongst our industrialists ardent patriots who will not grudge to share with the State, that is, the people in general, a substantial portion of their net excess incomes By the proposed measures they are being called upon to make far less sacrifices for the State than people similarly situated in Europe and America Their willing co-operation will be to their ultimate benefit One alternative—perhaps the only alternative—is communism which, I think, they will welcome far less than these pinpricks

Madam, the Honourable Finance Member is also casting longing eyes to hoarded wealth that has hitherto evaded the long arm of the Income-tax Department A good deal of this cannot but be black-market money The design, vigilance and resourcefulness that would bring about its birth in darkness, will also be able I am afraid, to hide it successfully in darkness, and the Honourable the Finance Member will be only groping in the dark in his quest of it But the venture is worth attempting and I wish the Finance Member the best of luck Let us hope that Light is coming and Darkness will vanish

Madam, let me now say a few words about the planning policy outlined in the Finance Member's speech Few can disagree with him about the difficulty he has indicated in carrying out the long term plans of the Central Government Departments in view of the uncertainty of the political situation He has also uttered wise words when he has emphasised the appropriateness of Regional planning in a vast sub-continent like India Though political uncertainty serves as a temporary impediment to long term central planning, happily the period of suspense is not going to be long, and only sixteen months hence, Providence willing, we shall be in a position to frame our plans on stronger foundations and in a clearer perspective Some of our more obvious and fundamental schemes having no bearing on the internal aspect of the political issue can and should, however,—other factors permitting—proceed apace This consideration, as the Finance Member recognises, does not apply to the provincial planning All the provinces by now have their development plans and great hopes have been raised in the minds of the people These plans have been prepared on the practical assurance that definite and substantial contributions towards them will be made from the Central surpluses which were declared to be an expected sum of 1,000 crores The Finance Member now tells us that the surplus will be substantially below the expected figure and he administers a warning to the provinces that they must expect substantially less contributions than previously declared This must be extremely disquieting to the provinces because their plans were made as they were instructed by the

[Mr Tamizuddin Khan]

Centre to be made, on the basis of the contributions then declared In most of the provinces the development plans will be thrown out of gear by the Finance Member s warning resulting in a disconcerting retardation of progress As these contributions are only capital grants to the provinces, I think it will not be out of the capacity of the Centre to bridge the gap between the previously expected and the now estimated surpluses and redeem what was practically the Centre s promise to the provinces

Madam, the Finance Member has lifted the duty on the poor man s salt But the exorbitant taxes on tobacco and betel nut remain intact The poor man will certainly enjoy his tax free salt but his *hukka* and to a great extent his *pan*, of which betel nut is an essential ingredient, are the very salt of his life How can the Finance Member consistently stick to his taxes on the latter having lifted that on the former? Can he not even give partial relief in this respect?

He has referred to the gradual lifting of controls We are gratified But we want to know whether Government intends to decontrol some of the commodities still under control Nothing is more galling to the people than this interference with their liberty They are tolerating it only as a necessary evil They are eager for a speedy and progressive realisation of restoration of liberty I suggest that the next step in advance should be to release sugar from control If the worst happens it will not be as catastrophic as it can be in the case of cloth nor in any crisis as in the case of food On the other hand the probability is that decontrol will stimulate production and ultimate reduction of price

It is gratifying to note that Government are giving continued importance to the Grow More Food campaign for which adequate provision has been made in the Budget Opinions may differ as to the dimensions of the results hitherto obtained I think, however, money could not have been better spent during the lean years of crop shortage and consequent food crisis The results though not very spectacular have been substantial The only regret is that all that could have been done in the various provinces is not being done In Assam, for example, there are vast areas of culturable waste lands eminently suitable for the production of paddy, but far from utilizing these in the furtherance of the Grow More Food campaign every effort is being made to grow less by mass eviction of cultivators ostensibly in furtherance of an outlandish cult of worship of technicality Here I must seal my lips and refrain from uttering what I know to be the real reasons This is a crime not only against the helpless men women and children who are the victims of this ruthless policy of mass eviction, but also against the land we live in and the world at large, that is passing through a critical period of food shortage and imminent danger of famine In the face of a world crisis all we are doing is to look on helplessly while the problem regime of Assam, the spoilt child of one of the major political organisations of the country, is going merrily on with its inhuman orgy That Government has already made history by its not insignificant contribution to the failure of a settlement between the two major parties in India and is again gaining laurels by not only thwarting the 'grow more food campaign', but also preparing the ground for a terrible struggle by the exasperated victims and their sympathisers Should we still look helplessly on? The Central Government may plead helplessness in the abundance of their regard for Provincial autonomy, but can the political organisation to whom the Assam Regime is beholden, also do so? The consequences that will follow may affect to a certain extent the Budget forecast of the Finance Member The uncertainty of the political situation that now stands in the way of long term Central Planning may all the more be aggravated and as a consequence the longed for political settlement may again elude our grasp Will good sense yet prevail? Madam, I have done

Seth Govind Das (Central Provinces Hindi Divisions Non Muhammadan) Madam, I would have very much liked to speak in our national language—Hindustani—but as you do not understand that language, I would like to address the House today in English and keep it to myself to speak either in English or in Hindustani in future as the occasion demands

I also join in the congratulations showered on the Honourable the Finance Member, but I do not congratulate him alone I wish to congratulate myself along with the whole House who have endeavoured to get this historical occasion of discussing a Budget which has been presented in this House by a true representative of the country

Shri Sri Prakasa Sub-continent!

Seth Govind Das Madam, then there are some other reasons also on account of which I want to congratulate the Honourable the Finance Member He has abolished the salt duty in spite of the fact that a Resolution was tabled in this House though not moved that the salt duty should not be abolished He has abolished salt duty in spite of the fact that several questions were asked on the floor of this House which meant that salt duty should not be abolished

Lala Deshbandhu Gupta (Delhi General) By his followers

Seth Govind Das I further wish to congratulate him on his promise to take a strong attitude with regard to our sterling balances and the control of speculation Then he has raised, as so many Honourable Members of this House have mentioned the minimum non taxable income from Rs 2,000 to Rs 2,500 I suggest, Madam, that this minimum should be raised to Rs 300 per month I have calculated certain figures and I find that these days for a middleclass man or for a middleclass family it is not possible to live in less than Rs 300 per month

I am glad to find that the Reserve Bank of India is going to be nationalized I remember those days when the proposal for establishing this Reserve Bank was brought forward in this House by Sir Basil Blackett I was in those days in the Council of State, that was as far as I remember in the year 1927, and there was a great difference of opinion on the point whether the Reserve Bank should be a State bank or whether it should be a shareholders bank When the present Reserve Bank was established even then there was a difference of opinion in this respect, and I am glad to find that after all the Reserve Bank is going to be nationalized

When the Budget was placed before this House on the 28th February and some pressmen wanted my opinion on the Budget I said that it was most satisfactory though I did not agree with that part of it which dealt with planning and industrialisation I am sorry that the latter part of my opinion was not published but as far as other features of the Budget are concerned, I dare say that during 23 years of my life in the Central Legislature I never found a more satisfactory budget than the present one

Now I come to those points on which I do not agree with the Honourable the Finance Member I wish he had not mentioned controversial matters in his speech He should not have called this country a sub-continent He should not have said that peoples are inhabiting this land I humbly say that it would have been better if he had not brought in these controversial matters As far as we are concerned, Madam, we consider this country to be one We say that peoples are not living here, but one nation is living

I further disagree with the points which he made in his budget speech about planning I do not agree with him when he says that this country is far too big to be treated as one unit for the purpose of planning We have got the experience of the Soviet Union We have got the experience of the United States of America Are these countries not very big? I say that it is

[Seth Govind Das]

the well considered opinion of experts that the bigger the country the better the chances for successful planning I cannot understand how the Honourable the Finance Member said that because this country was too big it could not be made a single unit for planning

Again I do not agree with him as far as the proposal of his regional planning is concerned, and here I shall quote the opinion of certain experts I have got before me a report of the Advisory Planning Board, most recently published and the Members of this Board were very eminent persons They have taken into consideration all the views so far expressed in this respect and they say, Madam

> We are of the opinion that the proper development of large scale industries can only take place if all political units, whether provinces or States, agree to work in accordance with the common plan Both from the point of view of conserving capital resources and avoiding wasteful competition, and from the point of view of securing regional development which will advance the standard of living in the country as a whole and avoid undue concentration of industries in particular areas, Central Planning seems to us to be essential"

They go further, Madam, and say

> We should like to make it clear that should political developments hereafter rule out a Centre for the whole country, in the field of industry the idea of common planning should nevertheless be pursued and arrangements made for achieving it by annexation and agreement among the various units"

As early as 1945, the Government of India's industrial policy was announced in a statement in which it has been clearly pointed out that the progress of planning has made abundantly clear that certain industries must be taken over under Central control in the interests of co-ordinated development

Sir M Visheshwaraya one of the most eminent economists has said in his book "Reconstruction in Post War India"

> carried out effectively by un co ordinated
>
> requires that India should develop the idea of nationality and a united nation"

Now coming to the proposal of the Honourable the Finance Member which has raised a storm in certain circles, I mean the special Income-Tax of 25 per cent of business profits exceeding one lakh of rupees I want to point out that after all the people who earn must pay and if they do not pay then I agree with my Honourable friend, Mr Ghani, that some alternative should at least be suggested as to where the money is to be had from

Sjt. N V Gadgil: Rob the Pathan!

Seth Govind Das It should however, be considered as to how much they should pay and in what manner As far as this proposal is concerned, and my opinion goes, I want to point out that I do not agree with my Honourable friend Mr Subedar, that the tax should be reduced from 25 per cent. to 12½ per cent I wish to keep it at the same level In fact I would like to say that beyond a certain limit more percentage can also be taken It has been pointed out that the industries with big capital investment will be hard hit if the minimum limit of profits which would not be heavily taxed is kept to be one lakh It will be difficult for them, it is said, to pay even 1½ per cent dividend I would like the Honourable the Finance Member to consider whether it would be possible for him to exempt profits to such an extent that the companies may be in a position to pay a minimum dividend of 6 per cent Certain suggestions were made that this minimum dividend should be 5 per cent, certain Honourable Members suggested that it should be as far as 9 per cent When I say 6 per cent I have in view an old idea that six per cent

interest is *mahajan* interest In other words 6 per cent is a legitimate return and anything in excess of this is illegitimate I shall, therefore, suggest to him that he should consider the advisability of so modifying his taxation proposals that the companies remain in a position to pay 6 per cent dividend

Lastly, I shall point out that I cannot call this budget a socialist budget It is not one inasmuch as it does not dispense with private ownership of the means of production More taxation will make private capital shy There will be danger of consumers goods being imported from abroad in large quantities in this country Therefore if there is heavy taxation we must go for nationalisation I do not agree with my Honourable friend, Mr Griffiths, that the time has not come for nationalising the industries His community pronounced similar opinion in connection with Swaraj I do not agree with him If a comprehensive plan is drawn for nationalising the industries, I am sure, Madam, there would be enough capital coming forward in the shape of loans at a very low rate of interest and the State will be able to plan industries, giving real relief to the poor people of this land

In conclusion again I wish to congratulate the Honourable the Finance Member

Maharajkumar Dr Sir Vijaya Ananda (United Provinces Landholders) Madam, I rise to support the budget with mixed feelings I say this for one very good reason Though my Honourable friend Mr Liaquat Ali Khan has abolished the salt tax, he did not along with it say that he had done this as a measure of respect for Mahatmaji nor did he say in his long speech that the League would be coming into one United India Had Mr Liaquat Ali Khan said this today the country would have been rejoicing We would have been very happy indeed without making any further su budget But, as the budget stands I have to make a few

In Mr Liaquat Ali Khan we have the touch of Sir Basil Blackett as also of Sir Randolph Churchill With your permission I shall read a small quotation from the speech of Sir Padamjee Ginwalla made in this House in 1923 This is quoted in *Eastern Economist*

> Sir Basil Blackett having sat for his principal assistants and having ascertained that the additional taxation required was of the order of say 16 crores would (according to the description) merely ask for copies of the Tariff Act the Income Tax Act and the Opium Manual and a blue pencil and would go on increasing the duties till the gap was made up"

Mr Liaquat Ali Khan has shown this Blackett touch in him by levying a special income tax of 25 per cent on business profits exceeding Rs 1 lakh, by increasing the super and Corporation taxes and the export duty on tea

As regards the Randolph Churchill touch, I would read a small quotation from the same journal

> Randolph Churchill having persuaded his cabinet to agree to some unorthodox budget proposals, returned his calculations to his permanent Under Secretary of the Treasury saying 'There are the figures They are uncut diamonds Put the best facets on them that you can but do not let me see them again till the end of the financial year'"

And Mr Liaquat Ali Khan has demonstrated this Randolph Churchill touch by abolishing the salt-tax and raising the minimum exemption limit for income-tax from Rs 2,000 to 2,500

Madam, I would not be fair to myself were I not to say that the tax on industries is absolutely uncalled for The last war was won by America and it was solely because of her industrial capacity When we have Swaraj in our country it is very necessary that we should allow industries to grow and by industrialising this country to the level of America we could become probably the foremost nation in the world in years to come But if you are going to kill industry by taxing to the extent that you have suggested, I am afraid it will be a case like the doctor saying 'the operation was successful but the patient died I trust and hope that my Honourable friend will reconsider his

[Dr Sir Vijaya Aranda]

position and realise that in taxing industries the result will be that labour will be thrown out and there will be immense unemployment in the country I have no objection to my Honourable friend taxing the rich By all means tax them but he must remember that it is industry that will make the country go forward

I also plead for tolerance from my Congress friends We are on the verge of a complete change in regard to the land tenures of our country I appeal to them for tolerance I hope that they will do things in a manner which will give us a little time to put our house in order, so that our young children will grow up to take to other professions and trades and will become units of strength to the National Congress and the country To the Muslim League I make this appeal Mr Liaquat Ali Khan is the second in command A single utterance in his budget debate that he would be coming into a single India and a united India would cause untold pleasure Barring this taxation on industry I am with Mr Liaquat Ali Khan and I will vote with him on every thing else I trust that in this debate goes on he will weigh things as much as possible and will not be dogmatic or stand on prestige and will appreciate that the need for give and take is very necessary Let it not also be said as Sir Archibald Rowlands said in his first budget speech that his first budget was also his last I hope that Mr Liaquat Ali Khan will not only present his second budget next year but will also do it to a sovereign Assembly of a free and United India

Sri R Venkatasubba Reddiar (South Arcot *cum* Chingleput Non Muhammadan Rural) Mudaliar I congratulate the Finance Member for the boldness with which he has approached the financial problems facing this country It is true that these budget proposals have made a section of the public wail and another section hail it Almost all the members who have preceded me have with one voice praised him for the manner in which he has presented his budget Every one has been saying that this budget has taken into consideration the masses of this country but I would like him to pay more attention to the vast majority of the masses, that is the agricultural population of this country Without the agricultural population of this country we cannot have food, we cannot have raw materials for industries If there is any section of the public which deserves encouragement at the hands of the National Government it is the agriculturist But what I find here is that though the Government has changed, though the white faces have gone and our own members are here not much has been done to encourage the producer Time and again for the past one year and more we have been crying hoarse for giving remunerative prices to the agriculturist That has fallen always on deaf ears till now At least the former Government was saying that they would consider Questions raised in this House during this session have elicited answers that the Government have set its seal and it will not revise the prices so as to pay remunerative prices to the producer

Coming to the province from which I hail, it has had the misfortune to have a Secretary at the Head of the Food Department during the days of war who was against giving prices which would make production of crops remunerative Not only did he succeed in doing so but he prevented the Central Government also from doing anything by saying that the prices offered in Madras were quite sufficient and fair If you see the official figures and compare the figures prevailing in other parts of India you will find that the price offered to the producer in Madras has risen by about 200 per cent whereas in other parts of the country it has gone up even by 400 per cent There is no meaning in saying that you must have an all India price, You should proceed only on that The rise in price must be uniform That has been the slogan of the Department They have not cared to see whether there has been a uniform rise over the pre war prices At the present

5 P M

rate if you ask the agriculturist to produce foodgrains, in the course of three or four years he will have to liquidate his holding and either transfer his estate by sale or mortgage to some of the money lenders That which happened during the period between the two wars would certainly happen again All that propaganda to grow more food has been only on paper It has not very much helped him The figures that are being compiled are not based on realities They do not have any relation to actual facts which exist there We are told that 20 crores has been spent in the current year for importing food stuffs and another 17½ crores has been provided for next year to import foodgrains from other countries I ask how long are you going to subsidise import of foodgrains from other countries? Do you mean going on subsidising year after year twenty crores or fifteen crores? Would you not think of spending something more to encourage the producer to give him a price which has some relation to the money which he spends on his farm? I have given here before this Assembly on more than one occasion that in our parts at the present rates the cost of raising paddy on one acre of land, if it is a wet land comes to Rs 110 and if it is a dry land comes to about Rs 150 At the control rates fixed by the Government he gets somewhere about Rs 75 or 80, including the hay which is produced on the land On every acre of land which he cultivates the farmer is losing about Rs 20 to 70 I have repeatedly said this One answer that has been given by the Honourable Food Member has been that if you raise the price of foodgrains it will hit the consumer very badly Even that is not correct You go on increasing the pays You go on increasing the dearness allowance What have you done to the agriculturist the producer? If you increase the price of paddy by one rupee per maund, it means under the scale of present rations about 2½ pies per day per head increase to the consumer It will amount to 6 annas 3 pies per head per month Cannot the producer or agriculturist expect the consumer to give him this 6 annas 3 pies per head per month? I cannot understand the logic behind the refusal to increase the price even by one rupee a maund of paddy The minimum demand made by the agriculturists in the province has been two rupees per maund I would request the Government to consider this matter again deeply and come to the rescue of the producer

A five year plan has been announced A sum has been placed at the disposal of the Departments Departments have no idea as to how these moneys should be spent or how it should be utilised to the best advantage of the producer To give a personal experience the Government said that they were getting oil engines and allotting them to the producers when required I asked for an oil engine in July 1946 The engine was supplied to me without a pulley, without the necessary foundation bolts without other materials with which it could be fitted up and worked For each item I had to run to Madras every week but I could not get all of them till I had to be here for the autumn session I was obliged not to use the engine but to part with it

About manure it does not reach the man to whom it is intended The poor man who has no money and for whose benefit it is intended does not get it About improved seeds I have already said that vegetable seeds and grain seeds which have been supplied last year have consistently refused to germinate—not even 50 per cent of it germinated I said it last year in my speech on the Finance Bill I repeat it this year also I was given a packet of brinjal seeds and some other vegetable seeds Not one of them germinated The same is the case with some of the foodgrains The difficulty is the agricultural demonstrator is in charge of many things He is asked to deal with manures, seeds implements and other articles to the tune of 10 or 15 a year He has no assistance He has to keep accounts and disposes of them He has to satisfy those who come for these articles He has to go round and inspect the seed farms and find out if the seeds supplied are good and germinate He has no time to do it It is taken for granted that every seed

[Sri R Venkatasubba Reddiar]

that is brought to the village is a good seed They store them Very often several varieties are stored in the same godown and most of them get mixed They get damp and then the result is that the poor agriculturists who take these seeds suffer I wish to impress on the Government the necessity of starting an industry which would produce agricultural implements and machinery on a large scale at a very early date The supply of cheap electricity is another important thing which is very necessary for producing more crops

Coming to the Department of Education, I wish to impress on the Government that at present the teachers who are entrusted with the work of teaching the children have no qualifications and any qualifications which they at present have are not of such a character that they should have the right of being entrusted with the teaching of the boys You must have new training institutions in thousands, you must train teachers in lakhs and qualify them for imparting education on a national basis, for imparting vocational education and physical education and to make the children think in the way of their ancestors There is no use in spending crores and lakhs to build schools and colleges and other buildings in the towns I would suggest that many of these universities be shifted to the rural parts It is the rural people that have got to be educated There is no use concentrating education in the cities If the universities are taken to the villages, then you will be doing a lot to advance the cause of education of this country Until that is done, I do not think there is any salvation for this side of the activity of Government

Now, I am not sure whether the estimates of revenue made by the Honourable the Finance Member are correct whether they are not in some cases underestimated I find in the estimates of revenue that there is a considerable underestimate at least in some of the items such as revenue duties on motor spirit machinery, textile fabrics and others such as toys, games and sports goods There are many other items in which my impression is that the estimates have been underestimated The expenditure of the Government on the civil administration side has been growing year by year There must be an attempt to check this and balance the budget before fresh proposals of taxation are taken on hand

Sri A K Menon (West Coast and Nilgiris Non Muhammadan Rural) Madam, I may be permitted to congratulate the Honourable Finance Member on the extremely satisfactory budget that he has placed before the Assembly The general principles of social justice underlying this budget will receive the approbation of 98 per cent of the people of this country The intense patriotism that pervades the whole of the Budget speech will stimulate the spirit of every Indian I do not want to expatiate on the justice which the Honourable the Finance Member wants to do perhaps at the expense of the rich, for the poor people The socialistic policy underlying the whole Budget is seen from the abolition of the salt tax, the income-tax exemption, the contributions to the Provincial Governments and several similar measures It is only natural that when the Honourable the Finance Member has to make up the deficiency in the Budget he has to collect the money from the rich and not from the poor making them the poorer Therefore he had to tax the rich Several things have taken place during the war in my own district Several persons who were nothing yesterday have become so enormously rich that they do not know what to do with their money They are going from street to street asking whether this or that house is for sale Therefore the measure for investigating into such affairs of questionable accumulations of money is certainly welcome to me and it would be welcomed by all persons who want to see justice prevail in the country

Most of these measures that he has proposed in regard to business and industry have my general approval In so far as the proposals affecting

future industries, it is more a matter for financiers and industrialists and they have placed their case before the Honourable the Finance Member and I am sure it will receive his most earnest consideration and he will do whatever he can in the interests of the country

My object in speaking today is to point out one defect as far as super-tax is concerned I want to bring it particularly to the notice of the Honourable the Finance Member In our district in Malabar there are certain families which have been compulsorily made impartible under the law of the province These families consist of 60, 70 or even 100 members and some of these families depend for their living upon the sale of timber and other forest produce obtained from the forests owned by them Formerly the super-tax came in only when the income of the family reached 3½ lakhs for unearned income and 5 lakhs for earned income but now the Honourable Member has reduced the maximum rate which is reached at 1 2 lakhs for unearned income and 1 lakh for earned income In such cases I request the Honourable Member may be pleased to see that justice is done If 0-15-6 is taken away as tax for every rupee above the scale fixed now, what remains for such families is only half an anna in the rupee on that sum Suppose there is an impartible family Suppose their income is 3 lakhs There will be several ladies and children in the family and how can they live decently on the reduced income under the altered rates of super-tax If the new super tax is made to prevail that would mean that they will have to pay As 15 6 per rupee on these 3 lakhs *minus* 1 2 lakhs So, what remains with them is only half an anna per rupee How is the manager of the family to maintain the large family with that amount? Therefore, I would suggest to the Honourable the Finance Member that in such cases where there are undivided Hindu families and the number of whose members exceeds a certain number, then this provision of super-tax being made at the level of 1 2 lakhs for unearned income and 1 5 lakhs for earned income should not prevail I know of certain families the main income of which is only by the sale of timber They will come under the clutches of the present taxation Bill That is one injustice that he will be done by the altered super-tax

With regard to other measures, it is certainly too much for me to suggest anything I can only say that the budget proposals as a whole have the general approval of the country and I congratulate the Finance Member

Rai Bahadur Devendra Mohan Bhattacharyya (Nominated Non-Official) Sir, It is a privilege and a pleasure to me to have been able to welcome the first Budget of the first Indian Finance Minister of the Central Government The first budget that has been presented by the Indian National Government is indeed a refreshing contrast to the budgets with which we have been familiar in past years The Indian Finance Minister has brought to his task a freshness of outlook and has shown both courage and initiative

In his anxiety for relief to the poor, the Honourable the Finance Minister has proposed the abolition of salt duty and this is a measure, Sir which will capture the imagination of the public and is sure to give an All-India satisfaction Salt plays a prominent part in poor man's economy in the country and past history of salt duty indicate that this is one of the first items that should first be taken hold of by the National Government It is a shame that we are importing salt from other countries although we have thousands of miles of sea-shore where we can easily manufacture salt not only for ourselves but for others as well From Bengal's past history we find that Port Hijli on the sea-coast of Bengal produced salt which used to be sent abroad after meeting Bengal's demand For a long time the salt tax has been condemned by all sections and communities of the country and this House has asked for its abolition times without number, but no heed was paid so long by the alien Government It is very good of the First Indian Finance Minister to have taken courage in both hands and given a death blow to this obnoxious tax Sir,

[Rai Bahadur Devendra Mohan Bhattacharyya]

we are extremely grateful to the Honourable the Finance Minister for abolition of salt duty, but permit me to say, Sir that this is really a very small relief to a poor man If the Honourable Minister is really anxious to give relief to an appreciable extent to a poor man in the country, I would earnestly request him to see if he can do away with taxes on tobacco matches and betel nuts which are essential daily necessities of the poor man in the country

May I draw the attention of the Honourable Member that there are many in the country who could not procure two meals a day even in pre war days when rice and wheat were selling so cheap? Times have changed and controlled prices of foodgrains are now too high for them and the result has been that they have no other alternative but to go without meals or to live on other men's charity May I therefore suggest that provision should be made immediately for opening subsidised Government stores in every village for supplying food-grains at rates lower than controlled rates to poor men having an income below a certain level To avoid misuse of this privilege I would also suggest that Government should prepare a list of such poor men in the beginning of the year with the help of the District Officer so that none outside the list could take advantage of this Government cheap store

Sir, I welcome the relief that has been extended to middle class people by raising the minimum exemption limit from income-tax But in view of the very excessively high cost of living that is prevailing in the country at the moment the limit of exemption should have been raised to at least Rs 3 000 and some allowance should have been made for meeting the cost of educating their children The cost of education has been a great burden on the middle class families and now-a-days it is getting costlier and costlier The members of this class always make it a point to educate their children both boys and girls, and this they very often do even at the sacrifice of ordinary comforts of life It would be a real relief to the middle class people if the Honourable Member could find his way to make a portion of this income say 10 or 15 per cent income tax free I hope the Honourable Minister of Finance will pay his best attention to the suggestion that I am making as this is nothing new because in England and some other countries some allowances are made for the maintenance of wife and children

Sir, I do not know why a distinction should be made between earned and unearned incomes What is unearned today was earned a few years back Moreover Sir there are families in every province who live mainly on the small unearned income which they have and it would be a great hardship to the families having an unearned income of Rs 3 000 a year if the Income tax Department jumps upon them and swallows a portion of their small unearned income Then, again, Sir I may be permitted to say that there are owners of big unearned income on whose generosity thrive many charitable institutions of the country It would be an incentive to all such people to devote more if the amount donated by them to *bona fide* charitable purposes be exempted from the operations of the Indian Income tax Act With these words Sir I support the Budget

Mr Nagendranath Mukhopadhyay (Calcutta Suburbs Non Muhammadan Urban) Sir, I rise to place my views on the budget presented before this House by the first Indian Finance Minister I feel myself gratified that the Finance Minister has put the glory and victory upon the Congress The memorable date of Mahatma Gandhi's Dandi march which began in 1930 after 16 years of struggle after the incarceration of our countrymen and after untold suffering of our youngmen and women has been crowned with success and glory and my friend has taken the wind out of the Congress sail It is an Indian success and we are grateful to him for having abolished the salt tax Some people believe that we take so little of salt and it does not affect any one whether the salt tax remains or goes But that is not the case The salt is taken by the rich and the poor alike and they have been made to feel that

we have gained a day and the Indian people have obtained so much glory You may remember that when the salt tax movement was inaugurated by Mahatma Gandhi with 80 soldiers who marched on foot for 200 miles, there was an upheaval in the whole of India and not only men but women also went to jail The then Viceroy, Lord Irwin, said that he was perplexed and puzzled and he did not know how to manage it Fortunately there was a truce between the Indians and the Britishers and we all came out of the jail And the Mahatma then went to England to bring about a peaceful settlement But that was not to be, for I know that the Britishers do not do what they say He came back with empty hands Again, in 1932 another struggle was launched and it went on from time to time, but at long last the salt tax has been abolished It is a credit to my Honourable friend who has taken such a bold and straight forward step

What is the background of this Budget? We all remember the notable statement of Mr Attlee, the British Prime Minister He said that a Nation that sent her sons to die for freedom has a right to be free, and in the same breath he said that no minority community would be allowed to veto the advance of a majority community The Cabinet Mission were hailed with acclamation and all people came forward with an expectation that the day of deliverance has come after all But to our surprise these Ministers after churning the Indian ocean for so many months have produced a document which the best brains of Congress interpret it advocating a united India, while the best brains of the Muslim League understand it to be a *Pakistan* in embryo What a jugglery of words!

Once we had what was called the MacDonald Award which sowed the seed of dissension in our communities, and now we have this Mission Award which has brought a complete breach

On the eve of the Interim Government, you all remember that Direct Action Day was announced by the Muslim League and the mock heroics of some responsible Members of high position brought about what you all remember You all remember that the Churchillian agents made full use of those irresponsible statements, and through agent provocateurs they have [illegible] acts in Bengal, in Bihar and in certain parts of India The *Statesman* thundered, you will all remember, that the Ministers should be removed, and the Governor should be recalled, but nothing was done Not a mouse stirred, things went on as before Then the scene of action was removed from Bengal to Bihar Same drama of murder and conversion went on there On the eve of the assumption of office by the Interim Government the Viceroy broadcast that the Interim Government shall have no power nor desire to intervene in provincial matters Perhaps it was thought that Pandit Jawaharlal Nehru may interfere in Bengal affairs, and so a ban was put on it But Pandit Nehru did actually interfere when the same scene was enacted in Bihar He could not help doing so, and Mahatma Gandhi also threatened to fast unto death, and we saw that within a week the whole disturbance was pacified Then we found immediately after the assumption of office by the Interim Government that bombing took place in Waziristan and propaganda was made that it was done at the instance of the Interim Government When Congress Ministers went to Waziristan and other places in the Frontier these men were stoned, but fortunately they escaped In this background, Sir this Budget has been prepared

The Honourable the Finance Member said in his speech that true freedom is to be achieved' What is true freedom? What I understand by true freedom is that, first of all there should have been a declaration of independence of India, then the King should have renounced the title of 'Emperor of India', then all political and criminal prisoners, including I N A men, should have been released, so that people may feel that independence has come Just as at the time of the coming of the spring the whole atmosphere is surcharged

[Mr Nagendranath Mukhopadhyay]

with good odour, so all the people should have been released in order to make people feel that freedom has come Some people may say why criminals should be released My reply to them is, many of us have done many things which if they had been detected we also would have been criminals, but because they have gone undetected we are not criminals Besides when we were political prisoners, the Government treated us as criminals

Shri Sri Prakasa You should give us your autobiography

Mr Nagendranath Mukhopadhyay Firing on students, processions and meetings should have stopped, but it is still going on And last of all the prices of rice, cloth, wheat and flour should have been reduced, so that people may feel that independence is coming and therefore we are getting more food and cloth

Now what principles should have been followed in the framing of Budget My Honourable friend has drawn out the picture with the British brush and with one or two Indian touches, and by Indian touches I mean the abolition of salt tax, raising of the limit of income tax, and so on which I have already mentioned But many things remain to be done We all know it is a top heavy administration, our attention is towards the cities and towns, but the villages are going to be ruined My Honourable friend ought to have taken into consideration the seven lakhs of villages of which India is composed, and in which lives 85 per cent of our Indian people, and they are peasants and labourers Their condition should have been improved Out of these seven lakhs of villages, one lakh units should have been made and each unit of seven villages should have been self contained, there should have been a granary and *dharmgola* where food for seven villages could be stored At present we have a procurement policy where all food is brought together and kept in a big place where, as Mr Lawson says the losses are so much that if we could save them we could not have to go to America or other places for wheat or rice My submission is that every unit should have a granary, a school and arrangements for sanitation and to make it self contained there should be weavers barbers cultivators and everything else that is necessary There should be a physician or a doctor or *hakim* and in this way everything should be managed Then we will see that India will be flourishing again and not be in this wretched condition My submission is that the Finance Member has raised one point that the 25 per cent tax is to be imposed on business income Some industrialists have taken objection to it, but that is a matter to be settled by my Honourable friends Mr Manu Subedar, Mr Lallubhai and my Honourable friend, the Finance Member Whether it is to be 25 per cent or 20 per cent it is a move in the right direction Money is necessary and it should be raised somehow If there is any difficulty in organizing industries, they should be removed and that should be settled by them Gandhiji hoped that the British would not forfeit all credit for honest dealing with India Fortunately a statement has been made by the British Prime Minister that by June 1948, the British are transferring power to Indian hands and I know that "Shabda Brahmo" word is God A great nation has uttered this glorious word, it is bound to fulfil

Mr Chairman. The Honourable Member has taken more than his time will he kindly stop?

Mr Nagendranath Mukhopadhyay Lord Simon has stated that the nearer you get to the day the greater is the danger We remember to our bitter experience that when the day of the Interim Government was announced there was great butchering in Bengal and Bihar

Mr. Chairman: The Honourable Member might now resume his seat

Mr. Nagendranath Mukhopadhyay: I hope that Churchill's Atlantic Charter will be applied to India I find that the only difference between the

Congress and Muslims is *Pakistan*. What is *Pakistan*? It means holy land. But India is a holy land. My friend, Jawaharlal Nehru pointed out that it is 'Indu' land, or the land of the *Devas* or of the saints. So why should *Pakistan* be limited to one province? Why not to the whole of India? And let us live as angels.

Mr. Chairman: May I ask the Honourable Member once more to resume his seat?

Sri S. T. Aditya (Madura and Ramnad *cum* Tinnevelly: Non-Muhammadan Rural): The budget presented by the Honourable the Finance Member has been welcomed by all sides of the House. Some regard it as revolutionary. I have certain Honourable friends who regard it as a budget which sets up a new mark in the history of this country. I am not able to echo the same views. I would call it a commonsense, matter of fact budget, a commonsense budget. I would put it at that and in that sense I will examine the provisions of this budget.

It has been a part of the history of this country, in the recent periods that there has been a very great movement set up in its wake followed great sufferings, great sacrifices of a magnitude to which there is no comparison in the whole world—only to abolish the salt tax. The history of this country for the last quarter of a century is so intermingled with salt, or rather salt has been the salient point of the last quarter of a century.

Dr. Zia Uddin Ahmad: I have been hearing it for the last 50 years.

Sri S. T. Aditya: If I had been as old as my Honourable friend I would also have heard about it for so many years.

Shri Sri Prakasa: I have heard it from the days of my great grandfather!

Sri S. T. Aditya: Considering the part it has played in the political history of this country, it is only just and fitting that the first Indian Minister of Finance should do away with this tax. I congratulate him and I congratulate the Interim Ministry for this. The point on which there seems to be great dispute in this Honourable House is the business tax.

(*Interruptions*)

Mr. Chairman: Let the Honourable Member proceed.

Sri S. T. Aditya: Various views have been taken by Honourable Members of this House. Why the question has been put, I shall try to answer it. It is this: Is it at all necessary and reasonable to tax companies? After all a company is an association of traders and most of them are petty traders and small capitalists. If we tax the income of the company does it not follow that we do tax the small man and the big man? Are we not taxing them together at the same rate of tax? Does it not stand to reason that the bigger man should pay more? In taxing a company, all the shareholders—a man who has invested one crore of rupees or the man who has invested Rs. 100 or the widow who has invested only Rs. 50—are equally taxed. The incidence of taxation does not fall on the persons who are able to bear the taxation more than others. In that way it has been a point of academic discussion. The discussion has not arisen in this Honourable House only but there has been discussion among economists also as to how far a tax on business as such without distinguishing the richer man from the poor man is a good tax. As far as I know the reason for taxing corporations is that an ordinary partnership has not got certain advantages which the Government gives a corporation. The members of a corporation, for instance, have a limited liability whereas the members of a partnership have no limited liability. In so far as a corporation receives certain advantages by certain laws it is said that a corporation should be taxed, whereas a single man should not be taxed to the same extent. Another reason that is usually given is (and we find it in the Taxation Enquiry Committee Report also) 'that in a corporation the reserve fund is not taxed whereas in an ordinary trading firm the reserve fund if taken away is taxed as

[Sir S. T. Aditya]

income. These are said to be the two advantages given to corporations, so that they can be made to pay tax, even for a single anna that it is able to earn. The lower minimum does not apply to a corporation.

But we must consider also the other side of the question. The older corporations do have as members poor persons also and this has to be taken into account. Any view of the subject which is one sided, which thinks that a corporation ought to be taxed pell mell is bound to fail and any view, on the other side also which claims complete exemption is also bound to fail, because taxation in a modern state is such that without taxing corporations or companies it is not simply possible to run the administration. On this point I shall answer a question that has been raised by one of the Honourable Members. He asked: Is this not a budget which taxes the rich alone? Are not the proposals such as to tax the rich in order to help the poor? How is it that anybody can oppose this budget? I have already shown that in taxing a business or a corporation it is not the richer men alone that are taxed but also the poor men. That is my answer to the question. On the other side, it has been pointed out that it is going to ruin our industries. I am confident that the cry that it is going to ruin all the industries is not a valid one. There are the older firms, old-established limited companies, which will not be affected by this legislation, for the simple reason that apart from the capital they have built up a large reserve which is going to stand them in good stead. On the other side there is this picture that as far as new companies are concerned capital is certainly going to get shy, because of this taxation. One result that is going to come out of this taxation is that capital is going to become more shy than it already is, in this country. Witness the transactions that have been taking place in the last two weeks in the exchanges where the exchanges have to fix frantically certain minimum rates in order to control their transactions. The natural result will be that capital will be driven from British India and it will take shelter in the Indian States. I beg to submit that the taxation that is now proposed is a very sudden jump. Hitherto 62 per cent of the earnings of a company were allowed for dividends and 38 per cent was taxed out. Hereafter 42 per cent is left for dividends and 58 per cent will be taken away by the proposed taxation. More than half is taxed by this proposal. As I have already observed it will not affect an established industry. It will not affect the large firms which have already taken root in this country but what about the new firms that are going to be started. An investor goes to a company among other reasons for the stability of his savings. After stability, comes the rate of profit. As regards stability the older companies are there to assure the investor that there is stability. As to the rate of profit that a certain investment would carry, capital will certainly get shy if it is only 42 per cent that will be available for dividends and the rest taxed off. If a big cement company with a capital of a crore of rupees is to be started then these difficulties are certainly going to be serious. One of the paper mills in Bengal, the oldest of them which has a capital of ten lakhs has built up a reserve fund of 1½ crores. They will be able to declare a higher dividend because their working capital is 1½ crores *plus* 10 lakhs which is one crore and sixty lakhs and therefore with that they will be able to declare a dividend for ten lakhs (which is the capital) and the dividend will be sizable dividend. Suppose a new paper mill is floated with 10 lakhs. It has no reserve fund with which to earn and the dividends will be very small and therefore the incentive to the investing public will be lost.

Under these circumstances there must be some solution out of it. It is possible to maintain such a taxation level and also, I think ways and means can be devised by which it is possible to link up this tax with the dividend that is declared. If the Honourable the Finance Member consults a few of the senior members of this House I dare say it will be easy for him to find out ways and means by which it is possible to link up dividend with taxation. Taxation may be based upon a percentage of the dividend or by some such way may be

found I submit that this is one of the possible ways in which the Honourable the Finance Member can solve the problem

As I have been saying it is not only this taxation that is going to affect the newer industries but the psychological attitude behind the taxation It is in fact certain words and sentiments expressed by the Honourable Member on the floor of this House that is going to affect After all, it is not the direct incidence of the taxation that is affecting the stock exchange now For instance, consider the inquisition into past income, the proposal to tax capital increase It is all these taken cumulatively that will make the capital shy and drive it to the Indian States

One other point as to the taxation of tea It is a very well conceived measure* I do not drink tea . . .

Mr. P. J. Griffiths: Shame!

Mr. S. T. Adityan: and it is not for that purpose that I am supporting the tea duty I am supporting it on other grounds What is the income that the Government is going to get out of tea? Is it anything like the U K C C which purchased sugar at cheap rates and sold at three and four times the price elsewhere? Is it like the Burmese Government purchasing Rice for Rs 150 per ton and selling at Rs 800 or Rs 400 to this Government It is not like that It is a very small increase and that on a luxury and therefore the other countries can afford to pay it With these words, madam, I conclude

6 P.M.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 4th March, 1947.

LEGISLATIVE ASSEMBLY

Tuesday, 4th March, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr President (the Honourable Mr G V Mavalankar) in the Chair.

MEMBER SWORN

Mr M H. Zuberi, M L A (Government of India Nominated Official)

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

DIFFICULTY OF ACCOMMODATION FOR GOVERNMENT SERVANTS IN DELHI

697. *Mr. Ahmed E. H. Jaffer: (a) Will the Secretary of the Works, Mines and Power Department please state if it is a fact that a large number of Government servants in Delhi at present find themselves in a difficult situation on account of the failure of Government to provide them with accommodation?

(b) Have Government received representations regarding this matter?

(c) Are Government aware that the situation now is far worse than it was last year, even worse than at any time during the war?

(d) What is the cause of this shortage of accommodation?

(e) Is it a fact that Government have brought a large number of officers to Delhi from Simla?

(f) Is it a fact that a large number of rooms in Boarding Houses in Delhi lie empty, because Rules framed by Government prevent them from being occupied?

(g) Is it a fact that Military Personnel on official business are given priority over all others?

(h) What action do Government propose to take to relieve the present distress in the matter of housing?

(i) Do Government propose to consider the question of appointing a Ministry of Housing, since this matter has assumed importance all over India?

(j) How many bungalows are at present occupied by Cabinet Ministers, and their Secretaries in New Delhi?

Mr. B. K. Gokhale (a) A number of Government Servants in Delhi are in difficulties about accommodation But the provision of accommodation is not a condition of service under Government

(b) No specific representation on the general housing position has been received from Government servants, but Government are generally aware of the position

(c) Government are aware of the seriousness of the situation the degree of seriousness is a matter of opinion

(d) Various factors have contributed to this shortage A "Memorandum on the Present Position of Government Accommodation" prepared in this Department which fully explains the reasons for the present shortage of accommodation, was circulated to all Honourable Members some time ago

(e) Yes

(f) Presumably the Honourable Member refers to Government hostels It is not correct that a large number of rooms in hostels are empty The rules framed by Government are intended to ensure maximum utilisation of available accommodation and do not operate to prevent rooms in hostels from being occupied.

(g) No But there is a separate pool of accommodation at the disposal of the Defence Department and the allotments in that pool are made by the Defence Department

(h) Among the various measures that Government have already taken or propose to take, the principal are (i) the conversion of several barracks into quarters for the staff, (ii) the transfer of several offices from Delhi to Simla, (iii) the construction of the following accommodation in Delhi 30 Officers' Bungalows, 200 Officers' Flats, 3,000 Clerks' quarters, 1,250 Quarters for inferior servants, (iv) the encouragement of private building to the extent that this is possible under present conditions of extreme shortage of building materials

(i) There is no such proposal under consideration

(j) The Cabinet Ministers are occupying seven Government houses, six requisitioned houses, and one leased house No Secretaries to the Cabinet Ministers have been given any bungalows

Mr Ahmed E. H. Jaffer May I ask the Honourable Member why Government officers who have been on duty in Delhi for the last three years have not been provided with accommodation mainly on the ground that they have no children?

Mr. B. K. Gokhale: The accommodation rules necessarily distinguish between officers who have got wives and families and officers who have no families

Miss Maniben Kara: Will the Honourable Member consider the desirability of requesting the Rent Controller to go into the question of the high rents charged to the tenants of the houses built after 1939?

Mr. President. The Honourable Member is raising the general question of housing accommodation and rent control That does not arise out of this question

Shrimati Ammu Swaminadhan: Is the Honourable Member aware that there are several hostels which were allotted to the W A C Is and which are half and three quarters empty? If there are still any W A C Is to be accommodated, could they not all be put in one hostel, so that some of the hostels may be released for residents in Delhi?

Mr. B K Gokhale Yes, Sir Government are aware that the hostels allotted to W A C Is are not fully occupied and the question is under consideration

Mr Tamizuddin Khan: With reference to what we were told the other day that some offices were expected to be shifted to Simla, what are the offices that are proposed to be shifted to Simla and how many officers are involved in the transfer?

Mr. B. K. Gokhale: Government have not yet taken a decision on that expect a decision by tomorrow

Shrimati Ammu Swaminadhan: May I point out that this problem of housin does not affect the government servants only it also affects civilians who resid in Delhi and may I know what arrangements are being made for civilian resident in Delhi who are suffering great hardship for want of houses these days?

Mr. President: I am afraid that also will be outside the scope of this question which is restricted to government servants only

Mr. Ahmed E. H Jaffer: Is it a fact that in view of the shortage of accommodation in Delhi, the present Government are contemplating the holding of the autumn session of the Assembly in Simla?

Mr. B. K. Gokhale: I have no information on that point

Shri Sri Prakasa: Have Government assured themselves that so many Government servants are necessary? If unnecessary, will not Government take steps to dismiss them?

Mr. B. K. Gokhale: I believe that point was refered to by the Honourable the Finance Member in his budget speech

ADMISSION OF INDIANS TO PUBLIC SERVICES IN CEYLON

698. *Seth Govind Das. Will the Honourable Member for Commonwealth Relations be pleased to state

(a) whether Government are aware of the fact that under the present administrative order of the Ceylon Government, very few Indians can qualify to enter public service in Ceylon,

(b) whether the said administrative order is a permanent one, and

(c) the steps that the Government of India are taking to have these distinctions removed?

The Honourable Pandit Jawaharlal Nehru: (a) Yes, Sir

(b) The Order was issued in January 1940 and is still in force It is not possible to say whether it will be there permanently

(c) Representations were made by the Government of India against the order but the Government of Ceylon have taken the view that the right of an individual to employment in the public service of any State does not rest on a legal basis and have not therefore agreed to withdraw the order in question This matter will again be taken up with the Government of Ceylon when a suitable opportunity arises

DISABILITIES OF INDIANS IN CEYLON

699 *Seth Govind Das Will the Honourable Member for Commonwealth Relations be pleased to state

(a) whether Government are aware of the definition of the word 'Ceylonese' under Ceylonese Law according to which Indian residents are disqualified from enjoying equal rights of citizenship with the 'Indigenous' population,

(b) whether Government are aware of the fact that for the same reason certain important rights such as obtaining Crown lands under the Land Development Ordinance, fishing rights under the Fisheries Ordinance are denied to Indian residents,

(c) whether Government are aware of the resentment expressed by leaders of Indian opinion in Ceylon and in this country on such discrimination, and

(d) the steps that Government propose to take to remove these disabilities?

The Honourable Pandit Jawaharlal Nehru: (a) and (b) There are certain measures on the statute book in Ceylon such as the Land Development Ordinance, Fisheries Ordinance and Omnibus Licencing Ordinance and also certain administrative instructions issued by the Government of Ceylon regarding employment of non-Ceylonese in Public services which deprive Indians in Ceylon of that equality of treatment to which the Government of India consider them to be entitled along with the indigenous population

(c) Yes

(d) The Government of India propose to take up these questions again when negotiations regarding the settlement of the status and rights of Indians in Ceylon are resumed with the Government of Ceylon

Seth Govind Das: Is it a fact that recently our representative in Ceylon specifically wrote something in this respect and that he is expecting some reply from the Government of India regarding his proposals?

The Honourable Pandit Jawaharlal Nehru: I am not aware very specifically But the Government Representative in Ceylon is continually writing about this subject and we are replying to him

Prof. N. G. Ranga: When are these talks expected to be resumed, Sir?

The Honourable Pandit Jawaharlal Nehru: It is difficult to say that because it is not for us to determine There is the other party too and on the whole the Government of Ceylon are disinclined to do anything before their elections

RESTRICTION ON RIGHTS OF FRANCHISE AND OTHER FUNDAMENTAL RIGHTS OF INDIANS IN CEYLON

700. *Seth Govind Das: Will the Honourable Member for Commonwealth Relations be pleased to state

(a) whether Government are aware of the restrictions with regard to the fundamental right of franchise placed on Indian residents of Ceylon by the Government of Ceylon,

(b) whether Government are aware of the fact that while the Ceylonese enjoy adult suffrage, Indian franchise is based on the concept of domicile or alternatively on property *cum* litracy qualification or holding of a certificate of permanent settlement,

(c) whether Government are aware that these restrictions are detrimental to the full development of the Indian residents of Ceylon, and

(d) the steps that the Government of India are taking to remove these restrictions on the fundamental rights of Indian residents of Ceylon?

The Honourable Pandit Jawaharlal Nehru: (a), (b) and (c) The reply is in the affirmative

(d) On the occasion of the recent constitutional changes in Ceylon the Government of India made very strong representations to His Majesty's Government for the removal of these restrictions but without success The Government of India, however, propose to pursue the matter further by means of negotiations with the Government of Ceylon

Seth Govind Das May I know whether, besides Indians, there is any other community also against which such restrictions are placed in Ceylon?

The Honourable Pandit Jawaharlal Nehru: I imagine that other communities might also be involved, but the question really arises in regard to Indians because they are a large number whereas the other communities are very small in numbers

Seth Govind Das: As far as I know the disabilities are not existing for any other community Then, is it not proper that in respect of Indians who are in such large number the disabilities should be removed?

The Honourable Pandit Jawaharlal Nehru. As a matter of fact it works the other way Where there are large numbers of people, difficult questions arise, where they are few, no difficulty arises The first question that arises in all these places where there are large number of Indians is whether they should be treated as Indian nationals or nationals of the place in which they are residing That question is arising in every case and there is no exact answer yet, but an answer will have to be found soon, because an Indian national in Ceylon will not perhaps be entitled to all the rights of the Ceylon national while if an Indian chooses to become a Ceylon national then he is perfectly entitled to all these rights and *vice versa* This difficult question arises in all these cases In the past the question did not arise because all these persons living in the British Commonwealth were called just 'British subjects'—legally and constitutionally they had one nationality Now that nationality is splitting up into Canadian, Australian, Indian, Ceylonese, Burmese, etc , quite apart from future developments Very soon there is going to be held in London I think a Nationality Conference not so much concerning us but in regard to the Dominions, to see how far the Canadian or Australian nationality is different from the common appellation 'British subject' These complicating factors arise, and when Honourable Members ask questions about Indian rights this matter involves two factors one is whether the Indian chooses to call himself an Indian national there or whether he wishes to adopt the nationality of the place in which he is residing; the other is that though he may be an Indian national he is perfectly entitled to just treatment and there should be no discrimination against him The two questions are apart

Seth Govind Das: Are there any Indians in Ceylon like South Africa who are the nationals of Ceylon and not Indian nationals?

The Honourable Pandit Jawaharlal Nehru: I have just tried to explain that That matter is not clear It can only be cleared up when those Indians are asked to choose on a definite basis Some I take it are considered as such in practice Others who wish to be considered as such are not given the option to be considered as such

Mr. Tamizuddin Khan: The Honourable Member said that representations were made to H M G in this respect May I know whether direct negotiations are held with the Ceylon Government in this respect?

The Honourable Pandit Jawaharlal Nehru: Yes, Sir In fact all our negotiations are going to be direct When I referred to representations to H M G I referred to the past

New Federal Plan for Malaya

701. *Seth Govind Das: Will the Honourable Member for Commonwealth Relations please state

(a) whether Government are aware of the statement made by Mr Arthur Creech Jones, British Colonial Secretary in the House of Commons on December 11, 1946 that the essential features of the New Federal Plan for Malaya have been approved by Britain but the British Government would defer final approval of the Plan till all interested communities in Malaya had expressed their views,

(b) whether Government are aware of any expression of views on the Plan by the leaders of Indian opinion in Malaya, and

(c) whether the Government of India have been requested to express their views on the plan and if so, whether they propose to see that the interests of Indians are properly safeguarded in the proposed Malayan Federation?

The Honourable Pandit Jawaharlal Nehru: (a) and (b) The answer is in the affirmative

(c) The Government have not been specifically requested to express their views but they have always represented their views to H M G on such important matters affecting Indians and Indian interests in Commonwealth countries The Government of India therefore, propose to do the same on the present occasion The proposals are at present under examination by the Government of India and their views will be forwarded to H M G shortly May I add that in this matter there is nobody in Malaya with whom we can deal? The question refers to Malaya, and we have to deal with the Colonial Office in London in regard to it, because there is no proper authority in Malaya with whom we can deal direct on the subject

Seth Govind Das: With reference to the answer to clause (b) of the question, have the Government received any copy of the views which the Malayan Indians have expressed, with respect to these proposals, to the Colonial Office?

The Honourable Pandit Jawaharlal Nehru: I am not quite sure We have received representations from certain Indian organisations in Malaya I cannot definitely say whether they have sent us a copy of what they sent to the Colonial Office

Prof. N G. Ranga: Will Government see to it that any representations which the Government of India may make in regard to Indians in Malaya would not be to the prejudice of the essential interests of the Malayan people themselves?

The Honourable Pandit Jawaharlal Nehru: Obviously, because it is our definitely policy that we should claim no rights in any country for Indians which go against the rights of the people of that country

RESTRICTION ON ENTRY OF NON-NATIVES IN EAST AFRICAN COLONIES

702. *Seth Govind Das Will the Honourable Member for Commonwealth Relations please state

(a) whether Government are aware of the fact that Regulations restricting the entry of non-natives continue to be in force in East African Colonies under the Emergency Laws (Transitional Provisions) Ordinance, 1946,

(b) whether it is a fact that a new lease of life was given to these provisions on the ground that a Bill was under consideration for making further and better provision for regulating immigration into the said territories, and

(c) when the said Bill will be enacted and come into force?

The Honourable Pandit Jawaharlal Nehru: (a) Yes, Sir

(b) Yes, Sir

(c) Government is not in a position to give a definite reply to this part of the question but it is understood that the Bills are being re-drafted to meet the criticisms from various quarters and that they would be reintroduced in the Legislatures early this year

TEACHING OF HINDUSTANI IN SCHOOLS AND COLLEGES OF MAURITIUS

703 *Pandit Sri Krishna Dutt Paliwal: Will the Honourable Member for External Affairs please state

(a) if it is a fact that Hindustani is not taught at all in the higher schools and colleges of Mauritius in spite of the fact that the population of Indians in that country is about 64 per cent ,

(b) if it is also a fact that even in primary schools Hindustani is only taught for a period of thirty minutes,

(c) if it is further a fact that the Indians of Mauritius are desirous that Hindustani should be made a compulsory subject for them and that it should also be the medium of instruction for them, and

(d) the steps Government propose to take to secure for Hindustani its rightful place in the Schools and Colleges of Mauritius?

The Honourable Pandit Jawaharlal Nehru: (a), (b), (c) and (d) Government regret that the information asked for has not been received by them yet from Mauritius Information is being collected and Government will decide after the information is received what steps they can take

INDIANS IN POLICE SERVICE IN MAURITIUS

704. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable Member for External Affairs please state

(a) if it is a fact that there is not a single Indian holding high office in the Police Service in Mauritius since 1935,

(b) if it is also a fact that the higher posts allotted to Indians in Mauritius are about ten per cent while their population is about 64 per cent ,

(c) if it is further a fact that in the civil, medical and educational services in the secretariat and in the Public Works Departments there is not a single Indian holding a high post, and

(d) the steps which Government propose to take to get this injustice to Indian Nationals in Mauritius removed?

The Honourable Pandit Jawaharlal Nehru: (a) and (c) No, Sir In 1940 out of eight Assistant Superintendents of Police (Pay 3,600—4,800 per annum) one was an Indian, out of ten District Magistrates (Pay Rs 9 000 per annum) one was an Indian, out of 14 medical officers (Pay Rs 7,000—10 000 per annum) two were Indian and out of three Inspectors of schools (Pay Rs 4,800—

6,000 per annum) one was an Indian There was no Indian in the Public Works Department and Survey Department in 1940

(b) Government have no information about the exact percentage of higher posts held by Indians

(d) The Government of India deputed Mr S Ridley, I C S , to study the condition of the Indians in Mauritius in 1940 Mr Ridley made certain recommendations for giving more adequate representation to the Indians in certain public services The Government of India have made representations to His Majesty s Government to give effect to these recommendations and are pursuing the matter further

RESTRICTIONS ON DRESS ETC , OF INDIAN GIRLS IN MAURITIUS SCHOOLS

705 *Pandit Sri Krishna Dutt Paliwal: Will the Honourable Member for External Affairs please state

(a) whether Government are aware that Indian girls can study in higher schools in Mauritius only in European dress and under Christian names,

(b) whether Government are aware that it was on account of this restriction that Mr Ridley could not find them in higher schools in 1940,

(c) the steps Government propose to take to get this compulsion on Indian girls to change their names and dress for studying in higher schools removed, and

(d) whether Government propose to consider the advisability of drawing the attention of the Mauritius Government to the fact that in India in many of the Government aided schools where denominational education is given, thousands of non-Christian Indian Students are allowed to study without being forced to change their dress and name?

The Honourable Pandit Jawaharlal Nehru: (a) and (b) Government have no information

(c) and (d) Enquiries are being made and suitable action will be taken on the results of the enquiries

REPRESENTATION OF INDIANS ON LEGISLATIVE COUNCIL AND OTHER PUBLIC BODIES IN MAURITIUS

706. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable Member for External Affairs please state

(a) if Government are aware that Indians in Mauritius comprising about 64 per cent population of that country are dissatisfied with the small representation given to them not only in the Legislative Council but also in the Municipal Councils and Township Boards, and

(b) the steps Government propose to take to get this injustice removed?

The Honourable Pandit Jawaharlal Nehru: (a) Government are aware of the dissatisfaction of Indians in Mauritius with their inadequate representation on these public bodies

(b) Government have made representations to His Majesty's Government for the increased representation of Indians in the Legislative Council, the Municipal Council of Port Louis and the three Township Boards and propose to pursue the matter further

Prof. N. G. Ranga: Are the Government of India taking any steps to see that their own representative is appointed in Mauritius so that it will be possible for them to obtain information and make representations also without having to pursue the present devious method of going through the British Government

The Honourable Pandit Jawaharlal Nehru: Yes, Sir About two months ago, we took steps that is to say, we addressed the Colonial Office in London and informed them that we desired to appoint our own representatives in these various places including Mauritius.

CONVICTION OF PROF BASUDEO BISHEN DAYAL FOR PREACHING HINDU RELIGION IN MAURITIUS

707. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable Member for External Affairs please state

(a) If it is a fact that Prof Basudeo Bishen Dayal was convicted by the Mauritius Government for preaching religion in a Hindu Temple and was released only a few days before the expiry of his sentence, and

(b) If it is also a fact that he was again sentenced to one year's rigorous imprisonment for preaching the tenets of Hindu religion?

The Honourable Pandit Jawaharlal Nehru: (a) and (b) I have nothing to add at present to the reply given to part (b) of question No 449 asked by the Honourable Member on the 12th November, 1946 Information has been called for regarding the actual date on which Professor Basudeo Bishen Dayal was released and also whether he was prosecuted for a second time It will be laid on the table of the House when received

Pandit Sri Krishna Dutt Paliwal: May I know if the Government are aware that Professor Basudeo Bishen Dayal has been recently arrested again?

The Honourable Pandit Jawaharlal Nehru: Personally I am not aware of this fact

Pandit Sri Krishna Dutt Paliwal: Only three or four days ago I received a telegram informing me that he has been arrested just now

Mr. President: That is only giving information Next question

APPOINTMENT OF INDIANS IN DIPLOMATIC SERVICES

708 *Mr Ahmed E. H Jaffer: (a) Will the Honourable Member for External Affairs please state the plans of Government for appointment of Indians in diplomatic service?

(b) In what manner will appointments be made, whether by selection board or by the Federal Public Service Commission?

(c) How many appointments are going to be made and to what countries will those who are appointed be sent?

(d) How many appointments are going to be made in the near future, of High Commissioners or Agents General of the Indian Government, and what are the names of the countries and the dates from which these offices will begin to function?

The Honourable Pandit Jawaharlal Nehru (a) and (b) I would refer the Honourable Member to my statement in answer to a question put by Professor Ranga on the 5th February 1947

(c) Government cannot immediately make a complete programme for exchanging diplomatic representatives with other countries Negotiations have to be undertaken with each country separately and diplomatic missions can only be opened as personnel becomes available

(d) The only such appointment likely to be made in the near future is that of High Commissioner for India in Canada The date of opening the office has not yet been decided

Shri Sri Prakasa: Is this diplomatic service the same for which an advertisement has recently been inserted in various papers or is it something different?

The Honourable Pandit Jawaharlal Nehru: It is the same except for this fact that the higher appointments, *i e*, Ambassadors and Ministers, need not necessarily come through that process But all the other appointments will come through that process

Shri Sri Prakasa: Has the Honourable Member's attention been drawn to the terms of that advertisement in which it is stated that first-class graduates of

recognized Indian Universities would be taken? And if so, will the Honourable Member recall to mind his own statement in this House that that would not necessarily be a qualification?

The Honourable Pandit Jawaharlal Nehru: Yes, I have seen that advertisement, and in fact I had that advertisement in mind when the Honourable Member put that question to me and I pointed out to him that though no unnecessary restrictions will be placed, still one has to place some standard, and it is a dangerous thing to lay down a law which is vague and which may lead, if I may put it, to all manner of difficulties and even to nepotism There are hard cases but one ought to provide for that in some other way without loosening the requirements or standards of service in order to provide for a hard case It means possibly opening the doors to all manner of undesirable things happening

Shri Sri Prakasa: Could the Honourable Member kindly enlighten us re- qualifications of the Members of the Federal Services Commission? Is it a fact that these good gentlemen had to undergo tests by some International Federal Commission before being appointed? Is it not a fact that it is a safe preserve and sinecure for retired gentlemen from the Jails Police and other Services of Government?

The Honourable Pandit Jawaharlal Nehru: That is surely a question which might be put to my colleague, the Home Member, or someone else I do not know their qualifications nor have I ever had the privilege, nor the honour of meeting them

Shri Sri Prakasa: May we infer from what the Honourable Member says, that he is not satisfied regarding the qualifications of the Members of the Federal Services Commission

Mr. President: That does not follow

Shri Sri Prakasa: Will the Honourable Member kindly specify another avenue of appointment for this service and not the one in the advertisement? In view of the fact that the Honourable Member does not seem to be satisfied with the qualifications of the Members of the Federal Services Commission

Mr. President: The Honourable Member is now arguing

The Honourable Pandit Jawaharlal Nehru: I would like to make it clear that there is no question of my not being satisfied, because I do not know anything about them

Shri Sri Prakasa: As the Honourable Member does not know, I ask the specific question

Mr. President: Order, order Next question I am putting a stop to all this argument

EXPORT OF ILMENITE, MANGANESE AND MICA

†709. ***Pandit Sri Krishna Dutt Paliwal:** Will the Honourable the Commerce Member please state

(a) how much Manganese, Ilmenite and Mica have been exported in the current year and in the preceding year during the same period, and

(b) the steps which Government have taken or propose to take to stop the export of the above mentioned key minerals?

The Honourable Mr. I. I. Chundrigar: (a) A statement giving the required information in respect of the first six months of 1945-46 and 1946-47 is laid on the table of the House Figures for subsequent months of the current year are not available

(b) The export of Ilmenite in the form of 'black sand' is already prohibited from British India and the question of controlling the export of manganese and mica is under consideration

† Answer to this question laid on the table, the questioner having exhausted his quota.

Statement showing the export of Manganese Ore, Ilmenite and Mica (compiled from the Sea-borne Trade Accounts) for the first six months of the current year with corresponding figures for the preceding year

		Exports during the first six months of	
		1945 46	1946-47
Manganese Ore—			
Br Indian Ports	Tons	76,354	122,613
Kathiawar and Travancore Ports	,,	(*)	(*)
Total for India	,,	76,354	122,613
Ilmenite—			
Br Indian Ports	Tons	(a)	(a)
Kathiawar and Travancore Ports	,,	9,181†	8,700†
Total for India	,,	9,181†	8,700†
Mica—			
Br Indian Ports	Cwts	50,049	119,677
Kathiawar and Travancore Ports	,,	(*)	(*)
Total for India	,,	50,049	119,677

(a) Figures not available as these items are not specified separately in Sea-borne Trade Accounts

(*) Negligible

†For Travancore Ports only, figures for Kathiawar Ports not being shown separately

SUB LETTING OF GOVERNMENT QUARTERS

710 *Sri R. Venkatasubba Reddiar: Will the Secretary for Works, Mines and Power Department be pleased to state

(a) whether the attention of Government has been drawn to an article under the heading "Round the Metropolis" and the sub-heading 'Subletting No Evil' in the Evening News of the Hindustan Times dated 4th February 1947, and whether the facts stated therein are true,

(b) whether any agency has been set up to enquire into the matter and take back all quarters or portions thereof so sublet and also recover the money got by subletting, and

(c) whether Government propose to publish a list of officers, if any, who have sublet, their quarters?

Mr. B. K. Gokhale: (a) The attention of Government has been drawn to the article by the Honourable Member s question Government are unable to say how far the allegations made therein are correct

(b) and (c) The question of unauthorised subletting of Government quarters has been considered by Government from time to time and a copy of the Memorandum No WII/BII/1007, dated the 22nd January 1944 issued by the then Department of Labour, is placed on the table The Estate Office enquires into cases of unauthorised subletting and takes action in accordance with the orders of Government issued from time to time The quarters which are sublet in an authorised manner are generally taken away from the allottees, but the money got by subletting is not recovered Lists of persons punished for unauthorised subletting are generally circulated amongst all Departments of Government every six months Government do not consider it necessary to give further publicity to such lists

No WII/BII/1007

GOVERNMENT OF INDIA

DEPARTMENT OF LABOUR

New Delhi, the 22nd January 1944

MEMORANDUM

SUBJECT —*Unauthorised subletting of Government quarters*

The undersigned is directed to say that with the increasing acuteness of shortage of residential accommodation in New Delhi, and Simla, there has been a marked increase in the unauthorised subletting of Government quarters for profit by the officers to whom these are allotted In the result, allottees who do not actually need the accommodation, derive unauthorised income from it, while those who are in need of accommodation are deprived of it. When cases of unauthorised subletting are brought to the notice of the Labour Department, they institute an enquiry in accordance with the procedure laid down by them and if the case is proved, the allottee is declared ineligible for Government accommodation for a specified number of years That this action has not proved a sufficient deterrent, is evident from the fact that cases of unauthorised sub letting not only continue to occur but are on the increase

2 So far Government have taken cognizance of the offence of only the allottee and not of the sublessee, although the latter is a principal abettor of the offence Consequently when a case of sub letting is proved, it is only the allottee who suffers Unauthorised subletting has, however, now assumed serious proportions, and this Department have decided that, in proved cases, both the allottee and the sublessee should be punished The following procedure has therefore been laid down to govern cases of sub letting in future —

(i) that the sharing of Government accommodation will be permissible only amongst Government servants, where the partner in the accommodation is a private individual the case will be deemed to be of unauthorised subletting unless the private individual concerned is *proved to be a close relation* of the allottee,

(ii) that where unauthorised subletting is alleged, the Estate Officer or any other Gazetted Officer of the Central P W D, authorised by him, shall hold a summary enquiry into the case and where there is *prima facie* evidence of subletting, no further evidence will be called for and the case shall be taken as proved against the allottee, unless the Joint Estate Officer or the officer making the enquiry considers that some further evidence is necessary to establish the case or to prove the innocence of the alleged offender,

(iii) that serious notice shall be taken of abetment of the offence by the sublessees who are Government servants, and that

(a) they will also be liable to be declared ineligible for Government accommodation for a specified number of years, and/or

(b) rent will be recovered from the sublessees concerned for the Government accommodation without prejudice to the rent recovered from the allottee or the amounts paid by the unauthorised sublessee to the allottee,

(iv) that the offenders shall be reported to the heads of their offices or Departments for serious disciplinary action; and

(v) that a list shall be circulated every six months showing the names of those who have been punished for the offence of unauthorised subletting during the preceding six months so that it may serve as a reminder to the offenders and as a deterrent to others

3. I am to add that authorised subletting in accordance with Rules 317 I, 317 I I, 317 I-II, and 317 I IV of the Supplementary Rules, is outside the scope of this Memo which is concerned only with subletting in contravention of those rules or any other rules which may be in force for the time being

4 A list is enclosed showing the names of the persons who have been declared ineligible for Government accommodation for the offence mentioned above during the year 1943 It is requested that sufficient departmental publicity to the purport of this memorandum and the list enclosed with it may be given

D D MAZUMDAR,
Joint Secretary

To

All Departments of the Government of India, etc.

List of persons declared ineligible for a period of three years for Government quarters in New Delhi, Delhi and Simla within the last year for subletting quarters allotted to them

Serial No	Name	Office to which attached	No and locality of quarter	Authority
1	Mr N B Ronser	Central Publications Branch	17-D, Probyn Road	*Vide* Government of India, Department of Labour, letter No B-8, dated the 5th January 1943
2	Mr Hans Raj Chopra	Do	23 D, Probyn Road	Ditto
3	Mr A H Jawaidi	Q M G 's Branch	63, Mirdard Road	*Vide* Government of India, Department of Labour, No WII/B, II/666, dated 27th October 1943
4	Mr Chiranji Lal	A G C R	6-D, Thompson Road	Ditto
5	Mr Bhavish Chandra	C P W D	Unorthodox Chummery No 17/II	*Vide* Labour Department, No WII/BII/745, dated 12th November 1943
6	Sharngat Singh Sodhi	G S Branch	Unorthodox Chummery No 11/II	Ditto
7	Mr Abdul Aziz	C P W D	1-D, Mirdard Lane	*Vide* Labour Department, O M No WII/BII/811, dated 22nd November 1943
8	Mr M N Gupta	Food Deptt	71 E, Barron Road	*Vide* Labour Department, O. M No. WII/BII, dated 26th November 1943
9	Mr Jai Bhagwan	C P W D	4, Minto Road	Ditto
10	Mr C L Bahl	M G O 's Branch, G H. Q	101 B, Circular Road	*Vide* Labour Department Memo. No. WII/B7, dated 13th December 1943

List of Government of India Press employees declared ineligible for a period of two years for Press quarters within the last year for subletting quarters allotted to them.

Serial No	Name	No and locality of quarters	Authority
1	Mr Nawab Ali	38 F Turkman Road	Estate Officer's letter No 0323 E O dated 25th November 1943
2	Mr Har Kishore	17 F Jehangir Road	
3	Mr Bharosa	86 F Press Road	
4	Mr A N Mitra	84-F Press Road	
5	Mr Lallu Ram	39 F Ahalya Bai Road	
6	Mr Shiv Dutt Sharma	79 F Press Road	
7	Mr Kamar Uddin	21 F Press Place	
8	Mr Arshad Uddin	75 F Press Road	
9	Mr Rafiq Hussain	23 E Press Place	
10	Mr Baidya Nath	19 F Jehangir Road	

Mr Muhammad Nauman May I know what the Honourable Member means by unauthorised sub letting? Does Government sometimes permit sub letting?

Mr B K Gokhale There is authorised sub letting as well as unauthorised sub letting

Mr Muhammad Nauman Has the Government got any machinery to find out how many houses have been sub let in this manner?

Mr B K Gokhale The machinery as I explained is the Estate Office Unfortunately of course it is short handed But that is the machinery provided for this purpose

ARREST OF MR HABIBUR RAHMAN BERLIN BROADCASTER

711 ***Shri Sri Prakasa** Will the Honourable Member for External Affairs be pleased to state

(a) whether Government are aware that one Mr Habibur Rahman Berlin Broadcaster for Hindustani was arrested on June 10 1945 at Riezlern by Captain Warren of the Indian Security Unit and that his goods including a Contex Camera had been taken away despite his telling Captain Warren that the camera belonged to his wife

(b) whether Government are aware that on July 20 1945 Captain Norang Singh Benz of the Indian Security Unit took away from him in the Brunswick Jail a wrist-watch a purse and other things

(c) whether Government are aware that he came back to India on January 20 1947

(d) whether Government are aware that none of the goods has been given back to him

(e) whether Government are aware that his wife is still in Germany

(f) whether the Indian Military Mission is giving her any assistance and whether she will be permitted to join him in India, and

(g) whether Government propose to take steps to get his things restored to him?

The Honourable Pandit Jawaharlal Nehru: (a) The Government of India are aware that Mr Habibur Rahman was arrested as stated His personal effects are understood to have been selected, packed and kept by him until taken over and listed by the camp staff on his arrival at the Paderborn Internment Camp The officer who arrested him has stated that as far as he remembers the Contax Camera was still in Mr Rahman's possession with his other goods when he was interned

(b) No

(c) Yes

(d) Further enquiries are being made into this matter

(e) Yes

(f) She is receiving assistance from the Indian Military Mission who will arrange for her to join him in India on production of legal proof of the marriage

(g) All claimants have been advised to submit their claims in details with the necessary proofs to the Indian Military Mission

Shri Sri Prakasa: In view of the fact that Mr Habibur Rahman himself states that his Contax Camera has not been delivered to him, will the Honourable Member make enquiries in this connection?

The Honourable Pandit Jawaharlal Nehru: As I have stated, we have been making enquiries continuously about various matters But I would like the Honourable Member to appreciate that in conditions as they prevail in Germany—post-war conditions and all that has happened there—it is not very easy to control sometimes the undesirable activities of odd individuals Nobody can trade on these things Somebody may even take possession of somebody else s property It is not easy to trace who has done it or when it has been done

Shri Sri Prakasa: Could the Honourable Member tell us what sort of legal proof he requires as regards validity of the marriage?

The Honourable Pandit Jawaharlal Nehru. The lady can produce any kind of authentic certificate of marriage or evidence to show that she is married

Shri Sri Prakasa But in view of the fact that Hindu marriages are not registered and it is very difficult even legally to prove all these marriages, it seems to me reasonable that the Government of India should not insist upon legal proofs of such things

Mr President: Order order That is only advice

The Honourable Pandit Jawaharlal Nehru: It is not a Hindu marriage to begin with It is a marriage between Habibur Rahman and a German lady, and a German lady normally is governed by certain laws and regulations in regard to entry into India At the present moment, all Germans are governed by those laws That is how this difficulty arises In order to get over that difficulty she has to cease to be a German in that sense, and she has to show some kind of evidence that she has ceased to be so A letter is not enough some kind of proof is necessary to show that the she is married to somebody

Shri Sri Prakasa: In view of the fact that Lord Sinha had a similar difficulty, will the Government exempt this gentleman?

Mr. President: Next question

ARREST OF MR BRAJA LAL MUKERJI IN BAVARIA

712. *Shri Sri Prakasa: Will the Honourable Member for External Affairs be pleased to state

(a) whether Government are aware that Mr Braja Lal Mukerji was arrested on June 20, 1945, at Landshut in Bavaria by the Indian Security Unit,

(b) whether Government are aware that various articles like wrist-watch, fountain-pen and other things were taken away from him by the interrogating officer Captain Misra in the Herford Jail,

(c) whether Government are aware that he was released on May 13, 1946 from the concentration camp, and that none of these articles were delivered back to him, and

(d) whether Government propose to take steps for the recovery of those articles for him?

The Honourable Pandit Jawaharlal Nehru: (a) Yes

(b) The Government of India have no information on this point, but are making enquiries

(c) The Government of India are aware that he was released on the date stated but have no information regarding the return of his possessions Enquiries are being made.

(d) All claimants have already been requested by the Indian Military Mission in Berlin to submit a fully accurate list with details in order that the necessary enquiries may be made

ARREST OF INDIAN NATIONALS BY THE INDIAN SECURITY UNIT IN GERMANY

713. *Shri Sri Prakasa: Will the Honourable Member for External Affairs be pleased to state

(a) the procedure adopted by the Indian Security Unit in Germany in arresting Indian nationals and depriving them of their belongings in Germany,

(b) whether Government have received any complaints from individuals regarding the treatment given to them and the despoliation of their properties, and

(c) whether Government are taking any steps to restore the properties?

The Honourable Pandit Jawaharlal Nehru: (a) The Indian Security Unit formed part of the Intelligence organisation under S H A E F in Europe and as such was responsible for detaining and interrogating Indians reported to have collaborated with the Germans In making searches the I S U was directed to concentrate particularly on documents and material of intelligence value Individuals when arrested were allowed to select and pack such essential personal effects as could be carried in a bag which they could take with them in the limited transport available These effects were retained by the individual at the place where he was confined until he was searched and interned Money and articles of barter value were probably kept by Camp authorities, but the rule was that all articles taken from individuals were listed and, returned to the individuals on release It is however recognised as an inevitable possibility that searchers who were of different nationalities at prisoners camps may have looted certain articles while inspecting internees' possessions but the difficulty of tracing such persons would be very great

(b) Yes

(c) All complaints are investigated by the Indian Military Mission when full details and necessary proofs are given But the I S U was disbanded in March 1946 and it is not possible to trace all individual members of it now

Shri Sri Prakasa: Could the Honourable Member give us the names of the personnel of the Indian Security Unit?

The Honourable Pandit Jawaharlal Nehru: No, Sir I could not do it just now Perhaps I might be able to find out these names later on if he is particularly interested in them

Shri Sri Prakasa: May we take it that they are Indians?

The Honourable Pandit Jawaharlal Nehru: I have no knowledge about it

SURVEY OF MINERAL RESOURCES OF ANDHRA DISTRICTS IN MADRAS

714. *Prof. N. G. Ranga: Will the Secretary of the Works, Mines and Power Department be pleased to state

(a) whether a survey has been made of the mineral resources available in the Andhra Districts, including the Northern Circars and the Ceded Districts, in the Madras Province,

(b) when that survey was made and by whom,

(c) in what reports the results of these surveys were published,

(d) whether they are now available,

(e) what metals in what approximate quantities are expected to be available, and in which districts they are expected to be found, and

(f) whether there are any hydraulic power possibilities within easy reaches of those mineral deposits and if so, what they are?

Mr. B. K. Gokhale: (a) Yes, Sir, generally speaking though perhaps not in detail

(b) At intervals since 1870 by various officers of the Geological Survey of India

(c) Principally in the Records and Memoirs of the Geological Survey of India and recently in the published reports of the Government of Madras in the Development Department

(d) Yes All the reports are available in the library of the Geological Survey of India, while many of them might be available in the principal libraries in Madras Reports published by the Geological Survey of India, which are not out of print, can be purchased from the Manager of Publications, New Delhi

(e) A list is being placed on the table

It is not possible to give in each case the approximate quantity of the minerals available in each district A reserve of 32 million tons of fairly good coal, is, however, reported from the Andhra Area

(f) The power developments on the Duduma falls on the Machkund river and at the Ramapadasagar Dam on the Godavari should be within economic distance for the exploitation of the mineral resources of the Andhra Districts Officers of the Geological Survey of India have submitted reports, which are still unpublished, on the water supply of the Regadi, Konarpuram, and the Kurnool District and on a dam site across the Cheyyar river in the Ceded Districts Similar reports have been made on the dam sites on the Godavari in the Northern Circars

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Statement

The occurrence of the following minerals in the Andhra area have been reported from time to time in the various records

Antimony, Asbestos, Barytes, Bauxite, Coal, Copper, Corundum, Gem Stones, Garnet, Cordierite, Gold, Graphite, Gypsum, Iron, Kaolin, Lead and Silver, Manganese, Mica Monazite, Phosphate, Steatite and Potstone, and Zinc

Chromite, Silica sands, Sulphur, Graphite, Mica, Coal, Gypsum are reported to occur in Northern Circars.

Slate, Gypsum, Asbestos and Barytes, Iron Ore, Mica, Kyanite Deposits, Clay Deposits certain Ceramic Raw Materials, Limestone and Lead Ore deposits are reported to occur in the Ceded Districts.

Prof. N. G. Ranga: Are any steps being taken to exploit any of these mineral resources in that particular area?

Mr. B. K. Gokhale: I have no detailed information That is really a matter for the Madras Government The Central Government are not exploiting any of these mineral resources.

PUBLICITY IN AMERICA OF GOVERNMENT OF INDIA'S POLICY

715. *Prof. N. G. Ranga: Will the Honourable Member for External Affairs be pleased to state what steps Government have taken to see that the Government of India's real policy which is independent of the prevalent rival power politics of the world is given due publicity in America?

The Honourable Pandit Jawaharlal Nehru: It has been repeatedly made clear that the Government pursues an independent foreign policy which, while seeking cooperation with the great powers, avoids entanglement in what is known as power politics It is the function of our Ambassador in Washington and his staff to make known the general lines of Government's foreign policy to the people of the United States of America

CONTROL OVER THE DIPLOMATIC REPRESENTATION IN IRAN

716. *Prof N. G. Ranga: Will the Honourable Member for External Affairs be pleased to state

(a) whether it is a fact that Government contribute towards the pay, etc , of an Attache or a similar Diplomatic Representative in Iran but have no control over his appointment or conduct and that for many decades Government have been trying to negotiate with the British Government over this matter of control over him, and

(b) whether Government propose to consider the advisability of having their own Embassy and Diplomatic Representatives, independent of the United Kingdom, in Iran?

The Honourable Pandit Jawaharlal Nehru: (a) The arrangement thus far has been that the staff for the British Consulates in East and South Iran is provided and paid for by the Government of India, who also provide officers for the posts of Additional Counsellor, Consul for Indian affairs, and Indian Trade Commissioner in Tehran These officers are technically subordinate to the British Embassy in Tehran but are selected by the Government of India and are under their control

(b) The Government of India fully intend to have their own separate representation in Iran as soon as possible, but I would invite the Honourable Member's attention in this connection to the reply which I gave to his starred question No 269, on February 13th

ENCOURAGEMENT OF TRADE RELATIONS BETWEEN INDIA AND SOVIET RUSSIA

717 *Mr. G B Dani (a) Will the Honourable the Commerce Member be pleased to state whether Government have taken any step to encourage trade relations between India and Soviet Russia?

(b) If not, what are the reasons therefor?

(c) Do Government propose to take steps in future?

The Honourable Mr. I. I. Chundrigar: (a), (b) and (c) I would invite the Honourable Member's attention to the reply I gave on 7th November 1946 during the last session to part (a) of question No 301, put by Mr Manu Subedar The future of our trade and economic relations with Soviet Russia is still engaging the attention of Government I may add however for the Honourable Member's information that it is proposed to take up at a suitable opportunity the question of appointing an Indian Government Trade Commissioner at Moscow

Prof. N. G. Ranga: How is it that though it is more than one year since the last reply was given, no progress has been made at all in this direction?

The Honourable Mr. I. I. Chundrigar: Progress has not been made because we have not so far received any co-operation from Russia regarding supplies to India India has been supplying to Russia some commodities which she needs On our side, we have impressed on Russia the necessity of making some supplies, but no favourable response has been received

INDIANS IN BRITISH OCCUPIED GERMANY

718. *Mr. G. B. Dani: (a) Will the Honourable Member for External Affairs be pleased to state whether Government are aware of the deplorable plight of the Indians in British-occupied Germany?

(b) Have Government taken any steps to remedy their plight? What help has been given by the Indian Military Mission in Germany?

The Honourable Pandit Jawaharlal Nehru: (a) and (b) The Government of India are aware that Indians have had to suffer considerable hardships in occupied Germany generally As much as possible has been done both by the Government of India and the Indian Military Mission in Berlin to help them The Honourable Member's attention is invited to the note on this subject recently published in the Press, a copy of which has been laid on the table of the House

PRESS NOTE

Treatment of Indians in Germany

A number of reports have recently appeared in the Press regarding the condition and treatment of Indians in Germany The Government of India wish it to be known that these reports are largely incorrect and give a completely distorted picture of the actual situation

After the invasion of Europe, the Government of India attached two small units to Supreme Headquarters Allied Expeditionary Forces for the purpose of tracing military and civilian Indians in Europe These were, the Indian Army Liaison Detachment whose functions were to trace, assist and repatriate Ex Prisoners of War, and the Indian Security Unit, who were responsible for the apprehension of civilians who had collaborated with the enemy and for assisting those other civilians who were not accused of collaboration The total number of Indian civilians apart from prisoners of war, traced in Germany by November 1946 was 81

Early in 1946 these two units were replaced by the Indian Military Mission in Berlin whose main functions were to safeguard the interests of Indian nationals in Europe, and to arrange for the repatriation of those who wished to return to India In June 1946, as a result of the political changes in India, it was decided to allow all Indians, including those who had hitherto been treated as collaborators and numbered 34, to return freely to India, and several batches have been repatriated accordingly Where there has been delay, it has been mainly due to difficulties of transportation and lack of shipping space

Some of those who have been repatriated to India have made public statements critical of the Indian Military Mission While it is true that Indians in Germany have had to suffer considerable hardships, the Government of India are satisfied that the Indian Military Mission have done a great deal to help them in a very difficult situation The facts of the physical conditions in Germany should not be overlooked The country has been devastated by war, the larger towns in which the Indians for the most part had previously been living having suffered most Communications have been completely disrupted and are still inadequate while supplies of all commodities and amenities of life are extremely short In these conditions life in Germany has inevitably been hard for the whole population Moreover, supreme authority is vested in the Four Power Control Commission for Germany which lays down policy and supervises its implementation In spite of repeated endeavours by the Indian Military Mission at the highest level to secure special concessions for Indians in Germany, the Control Commission have declined to sanction any increase in the scale of rations to Indians above those granted to other British subjects and other foreigners who chose to remain in Germany, which is the same as the ration for German civilians The Control Commission is also not prepared to exempt Indians, whilst they are in Germany from security restrictions which are applicable to persons of all nationalities The Indian Military Mission did, however, succeed in securing the gradual release of various Indians charged with collaboration from internment camps and all were freed by the end of May, 1946

The Government of India with the assistance of the Indian Military Mission made such arrangements as were possible to ameliorate the lot of their nationals in Germany and also in Austria One hundred Red Cross relief parcels containing food and clothing were flown to Berlin at the expense of the Government of India and sanction was accorded to the Mission to purchase American Red Cross food parcels Arrangements have also been completed whereby 11 lb gift parcels containing food and light clothing can be sent by the general public at the rate of one per sender per week to all zones in Germany, subject to normal export regulations Owing to the fact that the Four Occupying Powers have not yet agreed on an international rate of exchange for Germany, financial remittances to that country cannot yet be made, but the Government of India are actively pursuing this question In present conditions however, food and clothing materials are of more use than money In spite of the difficulties of transportation, the Indian Military Mission have been successful in arranging for the repatriation of 24 Indians and a further 13 who have decided to return to this country are still waiting for transport. All have been strongly advised to do so, and it has been made clear to the 44 who appear to prefer to remain in Germany that they cannot expect special treatment there and must be prepared to face the present conditions in the same way as the nationals of other countries

EXTERNAL AFFAIRS DEPARTMENT,
New Delhi, February 28, 1947

Prof N. G. Ranga: Have Government tried to obtain any information about the condition of Indians in any of the occupied areas of Germany, that is, American occupied, French occupied and Russian occupied portions of Germany?

The Honourable Pandit Jawaharlal Nehru. So far as I know, there are no Indians there Anyhow, the names of Indians have not been brought to our notice here As a matter of fact, we have tried to get in touch with several Indians in Germany and about a little over two months back when I was in London, I urged upon Mr Vellodi, the Deputy High Commissioner, to go to Germany to investigate this matter personally He did go there and he sent us a long report in which he mentioned the names of all the Indians whom he could trace there

Mr. Sasanka Sekhar Sanyal: Is it not possible for the Government to send some sort of fact-finding Commission to these territories in order to find out the actual conditions there?

The Honourable Pandit Jawaharlal Nehru: That is exactly what I have just said I may say that probably not more than 20 Indians at the outside are there It is a very small number, it may be a little more Most of them have refused to come back We have offered to bring every Indian in Germany back to India free We have given them full facilities So, if there are any difficulties, they are on their side They do not want to come back either because some of them have married German women or they have been carrying on some profession there or for some other reason The Government of India in this particular matter have done everything possible to help them Since they have refused to come back, food parcels, etc , are being sent to them I would ask Honourable Members to send food parcels to their friends in Germany That would perhaps help them more than asking questions in this House

Prof N G Ranga: What is the diplomatic or other channel which the Government of India have in order to get into touch not only with Indians in the occupied zones of Germany but also in touch with other Indians in whom India may be interested so far as Germany is concerned?

The Honourable Pandit Jawaharlal Nehru We have at present this Indian Military Mission which though it is called military has to deal with matters of a semi diplomatic nature also The conditions in Germany are very peculiar. We think it is important for us to have a high-grade representation there for the future The difficulty has been that owing to the military occupation of Germany, civilian officers are not welcome there Sometimes when a civilian officer is sent there, he has to be disguised under military title Some day he develops into a Major General although he knows nothing about the army That has been our difficulty We intend to send a fairly high grade officer there to look after diplomatic and other interests there

Shri Sri Prakasa Are there any Indian nationals in this Indian Military Mission?

The Honourable Pandit Jawaharlal Nehru: At the present moment, the head of the Mission is a Britisher, but he has on his staff some Indians

Evacuees and Refugees in India

†719. ***Sardar Mangal Singh:** Will the Honourable Member for Commonwealth Relations please state

(a) the number of evacuees and refugees of different nationalities still being kept in India,

(b) whether any steps are being taken to repatriate them, and

(c) who pays their expenses?

†Answer to this question laid on the table, the questioner being absent.

The Honourable Pandit Jawaharlal Nehru: (a) It is presumed that the Honourable Member refers to non-Indian evacuees and refugees Their number is approximately 7,000

(b) Yes The Governments of the countries concerned have been requested from time to time to arrange for the repatriation of their nationals as early as possible and it is expected that a large number will be leaving this country in the course of the next few months Delay is, however, likely to occur in the removal of the Polish refugees whose resettlement is being planned by His Majesty's Government

(c) The Governments concerned A statement showing the financial arrangement is laid on the table

Statement showing the Governments and the classes of non Indian evacuees for whom they are financially responsible

Government to which cost is debitable	Class of evacuees in respect of whom expenditure is debitable to the Government specified in column (1)
1	2
I Government of Burma	(a) All Burmans, Anglo-Burmans, Anglo-Indians, European British subjects and all other evacuees who are British subjects other than Indians evacuated from Burma to India
	(b) All Burma Government servants irrespective of their nationality whose services have not been terminated by that Government
II His Majesty's Government (i) Colonial Office	European British evacuees and other evacuees of non Indian domicile who are British subjects from Hong Kong and Malaya
(ii) Foreign Office	(a) All British subjects not covered by (i) above
	(b) Evacuees from Middle East, the Balkans, Malta and Siam
	(c) Greek and Czech evacuees irrespective of the country from which they may have been evacuated to India provided that they belong to parties whose evacuation to India has been sponsored by their own Governments
III U N R R A (Since August 1946) Previously Polish Government at London, through H M G	Poles
IV Royal Netherlands, Government	Subjects of the Netherlands East Indies

N B—The expenditure on evacuees of other foreign States is recovered through the Consuls of the countries concerned

TRAINING SCHEME FOR TECHNICAL OFFICERS

†720. ***Pandit Mukut Bihari Lal Bhargava*** Will the Honourable the Labour Member be pleased to state

(a) whether Government are aware that a training scheme for technical officers and persons engaged in the industries was initiated by the Labour Department and a very high priority was promised to them,

†Answer to this question laid on the table, the questioner being absent

(b) if so, the number of nominations received from Provinces, States and Industrial concerns by the Department during the last three years and how many of these candidates have been (i) sent abroad, (ii) selected and are waiting for admission or passage, (iii) not yet selected, and

(c) whether Government are aware that some of the candidates whose nominations were received as early as 1945, have not even been interviewed so far, if so, why?

The Honourable Shri Jagjivan Ram (a) Yes

(b) The scheme has been in operation for about two years and 491 nominations have so far been received Out of these (i) 99 candidates have been sent abroad, (ii) 57 are awaiting admission and five are awaiting passages, (iii) applications of 95 candidates have still to be considered by the Selection Committee Some of the candidates who had applied withdrew their applications and 206 candidates were found ineligible either because they were not suitably qualified or because their employers were not prepared to undertake the necessary financial obligations

(c) Yes It was not considered desirable to make further selections under the scheme unless the candidates already selected had been placed

ADMISSION OF CANDIDATES ABROAD UNDER THE LABOUR DEPARTMENT SCHEME

†721 ***Pandit Mukut Bihari Lal Bhargava**: Will the Honourable the Labour Member be pleased to state

(a) whether Government are aware that candidates selected by the Education Department during 1946 have been able to get the admissions abroad, whereas candidates under the Labour Department schemes have not been able to get admissions, even though their nominations were received during the years 1945 and 1946, and

(b) whether Government propose to take steps to see that the pending cases of all the candidates nominated under the schemes by Provincial Governments, Indian States, and Industrial concerns are finally decided at an early date, so that the individual candidates and the industrial concerns do not suffer on this account?

The Honourable Shri Jagjivan Ram: (a) Admissions have been secured under the Labour Department Scheme for quite a large number of candidates in factories abroad, though there are still many cases in which facilities have yet to be arranged The Labour Department Scheme provides for practical training in industrial firms while under the Education Department Scheme admission is secured in universities colleges or institutes

(b) Every effort is being made to secure facilities for the candidates already selected Owing to the inherent difficulties of the transition period industrial firms abroad were not always willing to offer facilities for practical training to Indian technicians

COMPENSATION TO THE TIBBIA COLLEGE, DELHI FOR REQUISITIONING OF HOSTEL BUILDINGS

†722. ***Lala Deshbandhu Gupta:** Will the Secretary of the Works, Mines and Power Department be pleased to state

(a) whether Government are aware that the buildings of the Tibbia College hostel, Delhi, founded by the late Hakim Ajmal Khan, were requisitioned by Government in March 1943 and that a number of temporary buildings were constructed in their compound by the military authorities,

(b) whether it is a fact that the hostel buildings were released in November 1946,

†Answer to this question laid on the table, the questioner being absent

(c) whether it is a fact that Government, when approached by the Principal of the Tibbia College in December 1946, had consented to the handing over of the temporary buildings erected in the College compound also to the College,

(d) whether the same have been handed over to the College or not, if not, the reasons therefor,

(e) whether Government are aware that due to the requisitioning of the property, the College had to close its girls' section altogether and had to restrict the admission only to male section with a limited number of about 200 students instead of 600, for want of hostel accommodation, and has thereby suffered great loss, if so, whether Government propose to compensate the institution for this loss, and

(f) whether Government are aware that the rent for the hostel and the land fixed by Government was not accepted by the College Board and that the matter had been referred to arbitration, if so, the time that will be taken by the arbitrator to give his award?

Mr B K Gokhale: (a) Yes, in April 1943

(b) Yes

(c) Yes but only as they become surplus to requirements and on terms to be settled with Government

(d) Yes so far six blocks of 20 rooms each have been handed over to the Tibbia College on lease

(e) Government are aware that the activities of the College were restricted as a result of the requisitioning, but have no information as to extent of pecuniary loss or damage, if any, suffered by the College There is no proposal under consideration for any such compensation

(f) Yes Government are unable to say when the arbitrator will give his award

PROSECUTION OF CONTRACTORS AND C P W DEPARTMENT OFFICERS RESPONSIBLE FOR THE CONSTRUCTION OF THE COLLAPSED GOVERNMENT BUILDING IN 'K' BLOCK

†723 ***Lala Deshbandhu Gupta**: Will the Secretary of the Works, Mines and Power Department be pleased to state whether the attention of Government has been drawn to the remarks of the Additional District Magistrate, Delhi, made in the course of his judgment in the well known case arising out of the collapse of Government building in 'K' Block that "I am of opinion that the more important culprits in this case, namely the contractors and the officers of the Central Public Works Department, should have been prosecuted at least for criminal negligence", if so, the action that has been taken by Government in the matter and if no action has been taken whether Government propose to do so now, if not, why not?

Mr. B K Gokhale: The answer to the first part is in the affirmative The question of further action to be taken by Government is now under consideration

DELAY IN GRANT OF PASSPORT TO MR ONKAR NATH OF DELHI

†724 ***Lala Deshbandhu Gupta**: Will the Honourable Member for External Affairs be pleased to state whether Government are aware that Mr Onkar Nath ex Municipal Commissioner and a prominent public worker of Delhi, had applied for a passport for visiting foreign countries to the Local Government of Delhi, several months back and that in spite of reminders he has not received his passport so far? If so, the reason for this delay in granting the passport?

The Honourable Pandit Jawaharlal Nehru: Mr Onkar Nath took delivery of his passport on the 17th February 1947

†Answer to this question laid on the table, the questioner being absent

The passport was actually ready for Mr Onkar Nath by the 19th October 1946 but it was not sent to him as he had not furnished an exact address It appears also that Mr Onkar Nath did not send any reminders The passport was delivered to him on the first occasion when he called at the Chief Commissioner's office It will be appreciated that special care has to be taken with travel documents to ensure that they do not fall into the wrong hands

TRANSFER OF OFFICERS OF THE C P W DEPARTMENT AFTER TENURE OF THREE YEAR

†725. *Lala Dashbandhu Gupta Will the Secretary of the Works, Mines and Power Department please refer to the answer given to my starred question No 428 on the 12th November, 1946, and state

(a) whether Government are aware that the tenure of the appointments of Executive Engineers, Sub-Divisional Officers and Overseers serving under the Central Public Works Department, has been fixed as three years, if so, whether Government propose to place on the table of the House a statement showing the names of officers and subordinates transferred under this rule subsequent to the last session of this House, and

(b) whether Government are aware that the orders regarding the transfer of all the Subordinate Officers who have already completed more than three years in New Delhi have been suspended and if so, the reasons for this change of policy?

Mr. B K. Gokhale: (a) The answer to the first part of the question is in the affirmative With reference to the second part, a statement is placed on the table

(b) The transfers were kept in abeyance for some time in view of certain difficulties involved In some cases Subordinates, who had children attending schools, asked for postponement of the orders of transfer until the annual examinations were held in March or April 1947 In other cases it was decided to revise the orders in view of the language difficulty so that Subordinates should not have to serve in different linguistic areas as far as possible In other cases there was difficulty of accommodation It is however, expected that the transfers will be generally given effect before long

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Statement showing the names of Officers and Subordinates of the Central Public Works Department transferred under the three years rule of transfer

Serial No	Name of Officer	Rank	Remarks
1	Mr Mohd Hanif	Executive Engineer	
2	,, A H K Noon	Ditto	
3	,, A K Khattak	Ditto	
4	Rai Sahib Poran Chand	Ditto	
5	M O P Mittal	Ditto	
6	,, Des Raj	Ditto	
7	,, T S Sodhi	Ditto	
8	,, M Rehman	Ditto	
9	Rai Bahadur H P Chatterjee	Superintending Engineer (Electrical)	

†Answer to this question laid on the table, the questioner being absent

Serial No	Name of Officer	Rank	Remarks
10	Mr K C Grover	Electrical Engineer	Under orders of transfer
11	Khan Sahib Mohd Hayat	Ditto	Ditto
12	Rai Sahib Kesar Chand	Ditto	
13	Mr A V Robey	Ditto	Under orders of transfer
14	,, K M Savi	Sub Divisional Officer	
15	,, K K Dhaul	Ditto	
16	,, Harbans Sarup	Ditto	
17	,, Manzoor Ali	Ditto	
18	,, S H Goray	Ditto	
19	,, P S Krishna Swami	Ditto	
20	,, Y S Ramaswami	Ditto	
21	,, Shaul Hameed	Ditto	
22	,, S V Subha Rao	Ditto	
23	,, R L Vohra	Ditto	
24	,, A Ahmed	Ditto	
25	,, S N Gupta	Ditto	
26	,, Y S Moorthy	Ditto	
27	,, S C Chatterjee	Ditto	
8	,, P B Joshi	Ditto	
29	,, T C Dass	Ditto	
30	,, M Gunguly	Subordinate	
31	,, K R Sriwasan	Ditto	
32	,, A Rahman	Ditto	
33	,, Moslemuddin Ahmed	Ditto	
34	,, H C Sood	Ditto	
35	,, A K Ansari	Ditto	
36	,, A N Ahluwalia	Ditto	
37	,, Joti Swarup Aggarwal	Ditto	
38	,, H C Bhorel	Ditto	
39	,, Mohd Zishan Khan	Ditto	
40	,, J K Nag	Ditto	
41	,, B K Kunwar	Ditto	

INDIAN LABOURERS REGISTERED AS VOTERS IN CEYLON

726. *Sri V. Gangaraju Will the Honourable Member for Commonwealth Relations be pleased to state

(a) whether Government are aware that the names of 5,000 Indian labourers already registered in Ceylon Voters Lists were removed from these lists,

(b) whether Government are aware that the labourers by virtue of their long residence in Ceylon and also by their intention to make Ceylon their home become Voters and

(c) if so, whether Government propose to enquire into the matter and take necessary steps to safeguard the franchise rights of Indian labourers in Ceylon?

The Honourable Pandit Jawaharlal Nehru: (a) The Honourable Member presumably refers to a press report relating to Gampola district Government understand that in this district objections have been raised on behalf of prospective candidates under section 12 of the Ceylon (Parliamentary Elections) Order-in-Council 1946 to the inclusion of the names of about 5,047 persons in the preliminary list and that the bulk of these refer to Indian labourers

(b) The correct position as regards franchise for Indian labourers in Ceylon under the existing law is as follows

Indian labourers are generally registered as voters if, in addition to compliance with the general requirements as regards age limit and residence in the electoral district for six months, they are domiciled in Ceylon or possess a certificate of permanent settlement and apply for registration as voters within the prescribed date Whenever labourers change from one estate to another in a different electoral district—as they frequently do their names are expunged from the voters' list of the district they leave and they have to prove their domicile to the satisfaction of the registration officer of the new electoral district before they are registered there as voters The labourers naturally find this a difficult process The alternative of registration on the basis of a permanent settlement certificate is also difficult as in the first place, to obtain the certificates, the labourers are required to undergo an oral examination at centres in some cases distant from their places of work to prove their residence of more than five years in Ceylon and intention to make Ceylon their permanent home and in the second place, they are required to take the initiative to apply on the basis of these certificates for registration as voters before the prescribed date

(c) Government have endeavoured in the past to improve the franchise rights of Indian labourers in Ceylon and propose to take up the matter again in future negotiations

USE OF HINDUSTANI IN THE CONDUCT OF PROCEEDINGS IN THE INDIAN LEGISLATURE

†**727. *Pandit Sri Krishna Dutt Paliwal.** Will the Honourable the Leader of the House please state

(a) the steps the Interim Government have taken so far to conduct the proceedings of the Indian Legislature in Hindustani and

(b) the steps Government propose to take to use Hindustani as the national language of India in transacting their business?

The Honourable Pandit Jawaharlal Nehru: (a) Government who have had this matter under consideration feel that in view of the recent ruling from the Chair no further action is for the time being required

(b) Government do not propose to take any immediate action in this matter

EMPLOYMENT EXCHANGE OFFICE AT ALMORA

728 *Sjt Seth Damodar Swroop: Will the Honourable the Labour Member please state

(a) whether there is an Employment Exchange Office at Almora, if so, the strength of its staff and the monthly expenditure on its maintenance

†Answer to this question laid on the table, the questioner having exhausted his quota

(b) how many and what appointments it has so far been able to obtain for the retired military personnel of this district, and

(c) whether there is a District Soldiers Board also with its office at Almora, if so, whether Government propose to entrust the work of securing employment for the retired military personnel to this office?

The Honourable Shri Jagjivan Ram (a) Yes, there is a sub Regional Employment Exchange at Almora. The sanctioned strength of the managerial, clerical and inferior staff of this Exchange is 16 of which one is a Manager and two Assistant Managers. The total average monthly expenditure is Rs. 3,500 of which Rs. 2,500 represents the monthly expenditure on staff.

(b) This Exchange commenced functioning in March 1946 and from that date upto the end of January 1947, it had placed in employment 534 ex Servicemen and in addition 392 persons who were not ex Servicemen. Complete details of the various posts are not available. The principal occupations in which ex servicemen were employed are clerical and inferior posts, Police Constables, Watchmen or Chowkidars, Co-operative Supervisors, Forest Guards, Postmen, Food Inspectors etc.

(c) There is a District Soldiers Board at Almora. The work of finding employment for demobilised military personnel falls outside the prescribed functions of the District Sailors, Soldiers and Airmen's Boards.

LIFTING OF CONTROL ON KEROSENE OIL

†729 ***Mr. Madandhari Singh**: Will the Secretary of the Works, Mines and Power Department be pleased to state whether Government propose to lift the control on kerosene oil? If not why not?

Mr. B. K. Gokhale: Government do not consider it advisable to lift control on kerosene oil so long as the supply is short of the estimated demand and the difficulties of distribution continue owing to short supply of tinplate and blackplate. The question of removal of control will be considered as soon as the situation improves.

INDIANS IN THE CENTRAL CYPHER BUREAU

†730 ***Sardar Mangal Singh**: Will the Honourable Member for External Affairs be pleased to state

(a) the strength of the staff of the Central Cypher Bureau, temporary and permanent,

(b) the number of Indians and non-Indians employed there,

(c) the academic qualifications required for a Cypher Assistant,

(d) the academic qualifications of the present Indian and non-Indian staff of the Central Cypher Bureau,

(e) the number of demobilized (Women Auxiliary Corps) ladies recruited as Cypher Assistants, their nationality and qualifications,

(f) how the communal roster is maintained for Central Cypher Bureau posts and whether the Home Department communal roster has been adhered to, and

(g) what steps Government propose to take to check further recruitment of non-Indians to Central Cypher Bureau until such time as the communal roster is in order?

The Honourable Pandit Jawaharlal Nehru: (a) Temporary—38, Permanent—7.

(b) Indians—43 (including 13 Anglo-Indians), Non-Indians—2.

(c) No academic qualifications are officially prescribed.

(d) Of the Indian members of the staff of the Central Cypher Bureau 20 are graduates, two have passed the Junior Cambridge examination and the remainder

†Answer to this question laid on the table the questioner being absent.

are Matriculates or have passed the Senior Cambridge examination One of the two non-Indian members of the staff has passed the Senior Cambridge and the other the Junior Cambridge Examination

(e) Four demobilized WAC(I) women have been recruited One is an Indian Christian and the others Anglo-Indians All are fully qualified Cypher Operators having served as such in the Army One is a graduate, the others have passed the Senior Cambridge Examination

(f) Owing to the difficulty of finding suitable persons during the war it was not possible to adhere strictly to the communal roster

(g) Orders have been issued that future recruitment of new men to the C C B should be done so as to set right the proportion of all communities according to communal roster

ANGLO-INDIAN LADIES IN THE TYPE-SECTION OF THE CENTRAL CYPHER BUREAU

†731. *Sardar Mangal Singh Will the Honourable Member for External Affairs please state if it is a fact that the Type Section of the Central Cypher Bureau is composed of Anglo Indian ladies only, if so why are Indian male typists not recruited?

The Honourable Pandit Jawaharlal Nehru: The Type Section of the Central Cypher Bureau is staffed by one Indian Christian and fourteen Anglo-Indian women

Before the late war there were only two typists in the Central Cypher Bureau Type Section The subsequent great expansion took place during the war when it was particularly difficult to obtain competent men typists, and the employment of women typists had to be largely increased in all Government departments There has never been any bar to the employment of women in this form of Government service and I see no reason to introduce one in respect of the C C B But efforts will be made in future recruitment to restore the balance of other communities in the C C B as a whole in accordance with the communal roster

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THE GENERAL BUDGET—GENERAL DISCUSSION—contd

FIRST STAGE—contd

Mr. Geoffrey W Tyson (Bengal European) Sir, I regret the absence of the Honourable the Finance Member I can only assume that some of our congratulations which he received yesterday, and which he will no doubt receive today also, have begun to obey the law of diminishing margin of utility .

Shri Sri Prakasa (Benares and Gorakhpur Divisions Non-Muhammadan Rural) I rise to a point of order I see the Honourable the Finance Member is absent and there is nobody from the Finance Department to listen to the criticism of the Budget He ought to have made some arrangements for some representative of his Department to remain in the House

Mr President The Honourable the Leader of the House is here Perhaps the Honourable the Finance Member was under the impression that questions will take a longer time The question hour has unexpectedly come to an end Now, I see the Finance Member is coming in

Mr. Geoffrey W Tyson: Sir, I was saying when the Honourable the Finance Member arrived, that the congratulations which he received yesterday must by now be beginning to wear a bit thin, but that does not however deter me from adding my own humble and obscure tribute to the shower of felicitations which he has received Of course he has been congratulated by everybody upon the uniqueness of this occasion upon the fact that this is the first time that an Indian budget has come before this House as an offering on behalf of a wholly popular Government and presented by an Indian Finance Member himself I

†Answer to this question laid on the table the questioner being absent

[Mr Geoffrey W Tyson]

think, Sir, our congratulations would be a little warmer if he had been able at the same time to disclose a surplus I think I may also safely say that our congratulations will be warmer still, about three weeks hence, when we dispose of the Finance Bill if he has chosen the path of wisdom and of compromise and of realism which has been urged upon him from several quarters of this House Fundamentally, Sir, the problem of budgetting is to bridge a deficit In that respect, the Finance Member's task this year does not differ materially from the task which has fallen to his predecessors, or from the task which confronts every Chancellor of the Exchequer, and every Finance Member and Minister throughout the world today The current deficit which was disclosed to the House on Friday was a little over 48 crores and the prospective deficit, for which the Honourable the Finance Member has made certain proposals for bridging, is in the neighbourhood of 56¾ crores Now Sir, I submit to the Honourable Member and to Government and to the House that these figures represent sums which are in no way unmanageable And in that respect it would be well if we compared our position with a number of other countries and the position as disclosed in other budgets in other parts of the world None of us who are interested in the country's welfare desire that deficits which can be reasonably covered should be kept uncovered, or that one year's deficit should be carried forward to another year until we find ourselves in a regular phase of unbalanced budgets But we have to judge the question of the type of deficit with which the House is confronted today according to its size and its general relevance in the context of the country's finances as a whole That point was made clear yesterday in the speech of my Honourable friend Mr Griffiths If we look at it in that light, and focus the deficits mentioned in the budget statement down into the perspective of the country's economy and financial resources as a whole, the position cannot be regarded as financially very grave I submit that the Finance Member of this Government—indeed of any Government—is firstly of course the custodian of the national account books, but he is also something a good deal more than that He is in fact—standing as he does in the main stream of the country's affairs and acting as arbiter in all matters of money—also if I may use the term the chief of the country's Economic General Staff And his duty in the last resort is to deploy the country's resources in production, in distribution and in consumption, and to supply them with resources, or to procure from them, the finance that is necessary for the greatest economic welfare of the country, for the greatest good of the greatest number of its people To that extent when he comes before the House with a deficit or, more rarely, a surplus—we have to judge what it means, not entirely in its book keeping and accountancy and fiduciary sense, but we have to try and assess its larger significance to the country as a whole Now, Sir, I propose in the few minutes that I still have to consider how the present budget proposes to mobilise production, distribution and consumption and how the Honourable Member's taxation measures are likely to affect the larger objectives and policy in those spheres

The Honourable Mr Liaquat Ali Khan has proposed four main taxation measures,—two of them are new The first is the business profits tax, from which he hopes to realise 30 crores of rupees in the budgetary year, and the second is the capital gains tax from which he hopes to realise 3½ crores in the coming year I will not stop to go into detail as to why I think both these figures are an underestimate, I will content myself with saying that I do consider them to be an underestimate and probably a wise underestimate, judged from some points of view In addition to these two new taxes two old taxes are to be enhanced There is to be an increase or an increase is proposed, in corporation tax from one to two annas, and the super-tax limit is to be lowered, quite sensibly—and I use the word 'sensibly' meaning 'quite perceptibly'—over a new range of assessees From these two taxes he hopes to get

4 crores and 2½ crores respectively In all the full proposals which he brought forward on Friday night are to realise approximately 40 crores of rupees The Honourable Member's budget statement had the great merit that there was no beating about the bush in it What he said was, 'I want 40 crores of rupees, here is a sector of India's economy which is accessible and assessable, and I propose to go for what I can see in front of me and take out of it what I think is the limit of what it will stand" Now, Sir, I submit that in the present circumstances for so large a sum as 40 crores of rupees to come out of one sector—true, an important sector, but only one sector of the country's economy is—I will not say an act of discrimination in any sense—taking rather a large gamble on what, in fact, trade and industry can stand Once again they are being called upon to foot almost the whole of a very heavy bill in the way of taxation It is probably true—and I think most of us realise it certainly on this side of the House we realise it—that trade and industry will have to reconcile itself in all probability to carrying a disproportionate share of the country's taxation potential as a whole As I have said, trade and industry are both accessible and assessable, and they must represent a permanent temptation to every Finance Member who has to square his accounts at the end of the year But what I would ask is whether this is, in fact, the moment to ask trade and industry to carry the whole of the responsibility for bridging the gap between revenue and expenditure This is what the Finance Member is doing, and at a time when in order to meet the grave economic problems of transition he himself has pointed out the dangers that lie in front of us In his speech Mr Liaquat Ali Khan very cogently summed up some of the present hazards and difficulties He said

"In our own country, as in other countries, the year that is closing has been a difficult year of transition"

Then again later on he says

'In the economic sphere the progress in the return to peacetime conditions has not been as rapid or as smooth as could have been wished The war time shortage of consumer goods has not yet been materially alleviated Production has been hampered by the inevitable delay in obtaining capital goods by labour unrest and strikes in the country, by persistent difficulties in the rehabilitation of the transport system", etc

So that the Finance Member himself has stated the problem and painted picture of industry's own problems at this present difficult time

There are certain other things, however, that he did not say Quite apart from production not reaching the levels which he hoped, he did not say that it is also falling, that earnings from industry are decreasing that the profits and dividend curve is declining According to your private predilections, or your individual point of view, you may consider this is quite a good thing But whether good or bad, it means that the springs of investment and therefore of production and employment, are in fact drying up and the Finance Member himself implied in his speech that this can only be ignored by India at her peril If we disagree, as I do respectfully disagree, with the present proposals for bridging the gap, the Finance Member is fully entitled to say to us on these benches, or to anybody else in any other part of the House How do you propose or what would be your plans for making good the deficit? I will, Sir, very briefly, try to indicate tentatively two or three means by which I think the Finance Member might make the best approach to considering how this and future deficits might be met

12 NOON

The proposed Commission of Enquiry into accumulated war fortunes can only at the best, in my view, be of long term significance, if it is of any significance at all He has got to face a deficit which is here and now, and to that extent he has our sympathy and our practical understanding I would ask him to be assured of this But quite apart from tax evasion—and to my mind there is no case for belabouring the honest taxpayer, because you have

[Mr Geoffrey W Tyson]

got a lot of tax dodgers—I would ask him what is the position in the Income tax Department in respect of arrears of assessments Will he, at some stage in this debate or the proceedings which follow, tell us how many hundreds or thousands of assessees to income tax are six months, one year, 18 months and two years in arrears over their assessments and if those assessments were brought up to date, will he tell us what in his view the financial effect would have been in respect of the current deficit and the prospective deficit? Therefore the first concrete suggestion which I have to make to him is that there should be a drive to bring up arrears of assessment

The second suggestion which I have to put forward is to ask him to look at the extremely small volume of the short term floating debt which this country carries When I say 'extremely small' I mean small having regard to the same item of account in other countries

Mr. President The Honourable Member has only four minutes to complete his speech of 20 minutes which will cover the one hour allotted to the European Group

Mr. Geoffrey W. Tyson My suggestion is that the Honourable the Finance Member should look at the floating debt position I regard as one of the most serious features of his budget statement his disclosure that the borrowing programme for 1946 has failed I think the target was 250 crores and Government succeeded in borrowing only 112 crores I know there were special circumstances, but I do suggest to him that in the present political and economic set up and having regard to the future prospects, he will have to come to rely more and more upon short term borrowing I agree with my Honourable friend Sardar Mangal Singh, who in his speech yesterday pointed out an omission in the Finance Member's statement of Friday which was his failure to make any reference to money rates, and whether it is his intention to continue the cheap money policy of his predecessors I therefore say that the Honourable the Finance Member would be entirely justified in seeing whether more of his current deficit cannot be met out of short term borrowing

And the third suggestion that I would make relates to estate duties I realise that it is an extremely prickly and controversial subject, but the House listened with great interest yesterday to a most impressive explanation of the economics of inheritance by my Honourable friend Mr Gadgil One of the things that he pointed out and I agree with him there, is that accumulated war fortunes will only finally be brought into the net by the imposition of an estate or death duty I would add that death duties form part of almost every modern scientific tax system and there may be special reasons, good reasons—I do not want to stray into the maze of controversy—why a somewhat slow approach has to be made to their imposition in India, but I suggest that the Indian finance Act and the tax structure will not be complete until this matter has been examined and at least some attempt made to try out the applicability of death or estate duties to this country I have used the word "scientific tax system" It is on that note that I would close I am quite sure that the Honourable the Finance Member himself will wish that his taxation should not only be fair but also realistic and scientific If I have one word of criticism to offer in closing my remarks, it is that as they stand his current budget proposals are not wholly scientific in their application or their incidence

The Honourable Dr. John Matthai (Member for Railways and Transport) Sir, my purpose in rising to take part in this debate is not to reply to any of the specific criticisms and suggestions which have been made in the course of the discussion nor is my purpose to discuss in any detail the specific taxation proposals contained in the budget My purpose is a simpler one What I want to do this morning is to sketch if I may, in broad outline the background

against which the issues raised in this budget have to be considered by the House and decided by them

Looking at the budget purely as a financial measure, there are three outstanding features in it The first is that taking into account the expenditure we have to meet in the budget year and the revenues which we may expect in that year on the present basis of taxation, we are going to be faced with a deficit,—a considerable deficit The second is that the budget proposes that as much of this deficit as possible should be covered by taxation The third is that this taxation should in the main be direct taxation

Before I proceed further I want to say a thing or two about the question of direct taxation Direct taxation bears mainly upon trade and industry We admit that We have considered the question of alternative sources of revenue At this present stage in the development of our fiscal resources and fiscal machinary there is no denying the fact that we have to look more and more for revenue from direct taxes If we use indirect taxation as in expanding source of revenue it will be necessary for us to levy them upon commodities which enter into general consumption We cannot afford to do that for social and economic reasons If we levy indirect taxes on luxury goods we soon reach a point where the stage of diminishing return will be reached Therefore it seems to me that if there is going to be an increase of expenditure in this country—and we have to meet it by revenue—we have to look more and more direct taxation

Having said that, it is necessary also to mention certain considerations which ought to be kept in mind regarding direct taxation The level of direct taxation should be such that production would not be hampered It is of the utmost importance from the point of view of the country's finances and its economic condition generally, that direct taxation should not hinder production If it does, the very source from which you expect revenue will dry up There is also the consideration that any direct taxation which affects or hinders production would be inconsistent with the schemes of economic development which we all have in view If we believe in planned production, whether on a regional basis or on an all India basis, it is necessary to see that production should not be hindered

That brings me to this question, what is the burden which will be placed upon industry and trade by the new taxes which are embodied in this budget It is difficult to make any calculation which can be fully substantiated I have been trying to get some approximate indication of the relative burden which these new taxes will impose upon industry and trade The way I have been trying to look at it is this Take the revised estimates for 1946-47 and the budget estimates for 1947 48 If you take the revenue from direct taxation, that is to say income tax, corporation tax, excess profits tax and all other direct taxes, the total in the revised estimates for 1946 47 is approximately Rs 156 crores The corresponding figure in the budget estimates for 1947-48 on the existing basis of taxation is Rs 135 crores Now, that by itself would not give you a basis for estimating the relative burden in the two years, because in the budget estimates for 1947-48 nearly Rs 40 crores is arrears of the Excess Profits Tax This is a tax upon profits which became assessable mainly in the previous year In estimating the actual burden placed upon industry and trade, this ought to be transferred to the revised estimates of 1946-47 If you do that and make a further adjustment for the refundable deposit in the Excess Profits returns for that year (which do not form part of the net burden) and if further you add the proposed new taxes to the budget estimates of 1947-48, the burden upon industry and trade in 1946-47 is about Rs 40 crores higher than in 1947-48 There is one factor which you have to take into account along with it and that is that the level of wholesale prices stands now not merely at the same level as in 1946 but, if anything, a little

[Dr John Matthai]

higher The prices fetched by commodities are today as high as if not higher than in 1946 That fact should be kept in mind when you try to estimate the significance of the fact that the burden involved in the figures of 1947-48 is Rs 40 crores less

Having said this, it is necessary for me to mention certain qualifying factors The criticism will at once be made "When you estimate the burden upon industry and trade in the year 1947-48 you take into account Rs 40 crores as the receipts from these new taxes which assumes that the estimated receipts are accurate" I listened with some interest to Mr Tyson, who is a distinguished economist, when he said that these were underestimates I think the same point was made by more than one speaker yesterday They may probably be underestimates, it may also happen they are overestimates But my own experience makes me think when it comes to the question of estimating the receipts from revenue that you can do worse than rely upon the judgment of experts who have inside knowledge of these matters For any purpose of a practical kind it seems to me that it is wiser to proceed on these estimates than try to make alternative estimates based upon conjecture however intelligent

There is another qualifying factor that has to be taken into account Although it is true that the total burden in the shape of direct taxes is going to be less in 1947 48 you have to take into account that the output of industry is also going to be less We have serious difficulties arising from the labour position There is also a considerable reduction in output due to shortage of coal These factors may result in reduced output in the coming year If to that you add also the consideration that wages are standing at a higher level and therefore costs are generally likely to be higher than in 1946 you reach the position that although the amount of taxation is smaller that taxation is really upon profit which is also smaller It is conceivable that smaller taxation in relation to a smaller quantum of profit might mean in reality a heavier burden But as far as I am able to size up the situation, it seems to me that the margin of Rs 40 crores between the two years in the quantum of taxation may be taken as offsetting any disturbances in these calculations due to the causes I have mentioned On the whole I feel therefore, although this is not a position that I can absolutely substantiate that the burden in the shape of direct taxation involved in the new proposals will at any rate, taking an overall view of the position, be not higher than in 1946 47

This conclusion is subject however to certain reservations Even assuming the burden is not going to be higher, we have to remember that the incidence of that burden may vary from industry to industry may vary as between different groups and different interests They may be important industries, industries of great national significance which may be hit harder, than other industries which do not possess the same degree of importance That is a matter which has to be looked into And since my Honourable colleague, the Finance Member has decided to refer these matters to Select Committees of the House, it may be presumed that any proposals by them in regard to the adjustment of the incidence of the new taxes, will receive at the hands of Government very careful consideration

Sir, it has been said, that we need not resort to taxation of any kind this year Deficit budgets are the order of the day There is a school of thought growing in popularity that if you want an expansionist economy in the country, then deficit budgets are not merely not to be shunned but should be welcomed If however you are going to allow a deficit of this order to be uncovered, the only justification you have for doing so is that you have a reasonable expectation that within a measurable period of years, the deficits would be covered We have got into the habit of budgeting for period of twelve months. But

there is no sanctity about the financial year It is possible that you would get a more correct appreciation of the country's financial and economic position if you did your budgeting not for a period of a year but for a longer term than a year Personally I would like to suggest that if we are to resort to the practice of budgeting for a period of three years, we would probably be on safer ground than we are now There is no doubt if you take a period of years, the defence expenditure would grow less It is possible that you may effect a very considerable saving on your expenditure side It is possible, looking at it purely from the point of view of expenditure, that over a relatively short period of years you may find yourselves square But as against that there is this important consideration, which I for one would not overlook and that is this the signs of the times are that we are going in for a period of deflation earlier than many of us think If within this period that you are considering for your budgeting, you are going to have the beginning of a period of downward prices, of deflation and not necessarily a slump, then even with higher rates of taxation you can not be certain of increasing your aggregate revenue On the other hand you are likely to bring down the aggregate revenue by higher rates of taxation At the point that we have reached, it is necessary to take into account the possibility that against a fallen expenditure you may also have falling revenues I have therefore little doubt in my own mind that my Honourable colleague has taken the right step in covering by taxation as large a portion of this deficit as possible

If we have a series of deficit years, it will have a very considerable effect on the internal price and cost structure of the country which may lead to serious consequences of which every economist is aware But apart from that I wish to touch on an aspect of the problem which has more immediate and practical consequences and that is the effect of a series of deficit budgets upon the credit of the country, both internal credit and external credit And there I want to draw the attention of the House to the fact that when a popular Government has assumed power for the first time and is on its trial, that is not an appropriate time, if I may use, Sir, a phrase which is slightly less than parliamentary, for "monkeying about" with deficit budgets Apart from its repercussions on the internal credit of the country, we are anxious to get as much capital equipment as possible into this country in the next few years if we want to implement our schemes of development I do not know what the sterling balance negotiations are likely to lead to In any case it would be necessary for us to look to hard currency countries increasingly for the capital goods that we need In view of the fact that currencies of this kind are still scarce, the only way in which you can get them is on credit America is a hard bargainer in these matters and if a popular Government starts off with a deficit budget and carries on for a few years with deficit budgets, you can take it as certain that the terms on which you will get credit from America will be extremely severe

There is one more point arising out of this that I want to consider for a while It has been said, and often, since the budget was issued that all this taxation is going to lessen the incentive to invest in industrial undertakings That is a consideration to which I attach a great deal of importnce But it is necessary at the same time to look into that problem a little more closely than we are in the habit of doing The question with which we are faced is what is the rate of return which would operate as a satisfactory incentive to investment? Years ago, when the Tariff Board was making enquiries for the protection of industries, they used to take rates varying, I believe, from 7 to 8 per cent That is about 10 to 15 years ago Times have changed and money has become cheaper If we are going to fix a suitable rate of return in relation to the present money conditions, then to suggest that anything like the rates which were considered appropriate ten or fifteen years ago would not be right A lower rate of profit ought to be considered sufficient

[Dr. John Matthai.]

under present conditions for the purpose of providing incentive to investment If those who are in charge of great business concerns in the country are looking for a rate of return higher than that, then we are going to be faced with a difficult problem a problem which involves serious issues of national policy If the Government of the country can raise money at relatively cheap rates of interest and if private enterprise will only put their money into business at much higher rates then the question arises whether the kind of economics you expect from competition and from initiative and those other virtues which are associated with private enterprise would not be offset by the increase in capital charges which private investment would necessarily imply? If that issue is going to be raised in connection with this budget the country would have to face seriously the question whether it is in its interests to continue private enterprise, whether it is in its interests that capitalism should have a longer lease of life We should be up in spite of ourselves against the problem of nationalisation as an immediate problem

Sir, I want to repeat what I said at the beginning that it is not my intention to make any specific suggestions or to discuss any specific proposals All that I have tried to do is to give the House a general idea of the background of the problem that it has to consider May I say in conclusion that we in this country after a long, weary march towards freedom have now reached a stage, when the roads in front of us seem to cross one another with almost bewildering confusion Difficult choices are ahead of us, grave issues are being thrown up on all sides of us The issues raised in this budget are typical of the problems which the country would have to face in the near future I have no doubt that this House will apply to these problems the deep and anxious care and the dispassionate judgment which they require and deserve

Mr. M. R. Masani (Bombay City Non-Muhammadan Urban) Mr President, Sir, I am sure the House has been tremendously impressed by the weighty pronouncement, if I may so call it that made by Dr John Matthai He has thrown a challenge to our patriotism, which, I believe, will find its way to a wider circle than that of this House Not only does what he has said bear on the immediate attitude we should adopt towards this budget but it will also colour our approach to the economic problems that face this nation in the coming months and years Sir, I find myself, if I may respectfully say so, in a large measure of agreement with the line of thinking pursued by Dr John Matthai It was with some such background as his that last year, while speaking on the Finance Bill, I regretted the complete abolition of the Excess Profits Tax and I then suggested that at least part of that tax should have been maintained, say, 50 per cent for one year more to enable that money to be spent on productive purposes because, in the circumstances then prevailing I believed that industry could have done well with half the relief that it got A year has passed since then, but I am mentioning this to assure the Honourable the Finance Member and this House that I am not at variance with the social objectives that the Finance Member has placed before this House in his budget speech

Approaching this budget from that point of view, I find myself welcoming many features of what the Finance Member has presented to us I welcome the abolition of the salt tax from the point of view of the poor man From the same point of view I also welcome, and I wish it had been possible to go a little further, the raising of the limit of exemption from income-tax I found myself responding warmly to the stand that he took on the sterling balances both in regard to the attitude that should be presented to the British Government in our negotiations with them as well as to the use to which those balances should be put—that they should not be frittered away in the import

of consumption and luxury goods but should be harnessed to the capital development which we need in this country through the import of machines, machine tools and capital equipment of various kinds

Lastly, I found myself responding also to his reference to regional planning I am not one of those who are frightened by that term and who are inclined to think that regional planning is an enemy of national planning On the contrary, the nation, in my opinion, is often too large a unit for planning, and planning should be done on the basis of smaller regions The TVA stands for that and Professor Huxley has rightly said that 'the initials TVA are beginning to be familiar as the symbol of a new possibility for democratic countries—the possibility of obtaining the efficiency of a co ordinated plan without totalitarian regimentation" In our own country, Mahatma Gandhi has stood as the embodiment of that idea of decentralised regional planning I think I am right in saying that not less than 50 per cent of our industrial workers are located in the two provinces of Bombay and Bengal and that perhaps half of our total industrial workers are located in four big industrial cities in this country So there is immediate need for concentrating on the development of backward regions where actual development has lagged behind potentialities But, Sir, regionalism is a purely economic concept A region must be an economic region like the valley of a river, whether it be the Tennessee river or the Damodar river and as we have seen in the case of the Damodar valley project a river basin can run into the two administrative areas of Bihar and Bengal and thus the provincial boundaries become irrelevant to and obstructive of the development of that economic region Similarly, economic regions may cut right across different kinds of people in different provinces and I do trust that no other implication than that of economic regionalism was intended by the Finance Member May I just leave the matter by saying that the religion of the people or the majority of the people concerned is completely irrelevant to any kind of planning, whether regional or national?

When I emerged from this House after listening to the Honourable the Finance Member's budget speech I was asked by various press correspondence whether I felt this was a socialist budget I found myself unable to say "yes" to that question I found that there was a confusion, perhaps, between anti-capitalism and socialism It is high time that we get it clear that anti-capitalism is not necessarily socialism, although opposition to capitalism is part of the socialist concept There are many kinds of anti-capitalism Hitler squeezed the capitalists in Germany in order to get armaments in preparation for war The slogan of "Guns not butter" was an anti-capitalist slogan, but it was not a socialist one You may have other systems like Fascism, like Totalitarian Communism, like Feudalism but none of these are socialism Therefore the socialist need not rejoice if he sees feudalism or some other element trying to destory capitalism That can bring no joy to a socialist heart It all depends upon what you replace capitalism with My aim would be to replace it in course of time with Democratic Socialism

I quite agree that the great inequalities which today disfigure our economic life must go as fast as we can make them go But there must be something to distribute equitably before we can launch on projects of redistribution. Our national income today, in terms of the depreciated rupee, is perhaps about Rs 180 a year, just over ten rupees a month If that is the kind of goal or target that we aim at then, I, Sir, would not like to share in that conception Equitable distribution must mean distribution which gives a standard of living consistent with decent conditions Our present national income, however much we may deplore it, cannot, even if evenly distributed, give anything like what we can call a decent livin

[Mr M R Masani]

Therefore, equitable distribution must be preceded in point of time by vastly increased production Without increased production there cannot be any distribution worth the name in this country If time had permitted, Sir, I would have given examples to show how badly we lag behind other countries in such measuring rods of production as electric power and, steel, but I assume that the House shares the conclusion that we have to make up terrific leeway in order to catch up with a level of production of goods which will give our people a minimum subsistence of living Therefore anything that hurts increased production, anything that attacks the incentives that make for increased production, is anti national and anti-socialist We have to recognise the fact, whether we like it or not, that for our production today we are dependant almost entirely on free enterprise We do not possess in this country a system of state industries on which we may rely for our people getting clothing and all the other wants of life We rely on private investment and free enterprise This budget does not, for instance, offer to the man with savings an alternative avenue of state investment at reasonable rates of interest or return If it did, the position might be different But in the absence of any other outlet for savings in the way of productive investment, if you make private investment unproductive or uneconomic or create psychological factors that make such investment unlikely, then you are striking at the very root of the tree from which all fruits of progress must come

Whether the present budget proposals constitute such a challenge to free enterprise, whether they will make the ordinary investor shrink from utilising his money and encourage hoarding and hoarding instincts, I am not expert enough to say, but we must realise that there is that feeling As a lawyer, I was taught the maxim that doing justice was not enough, that the parties concerned must be made to feel that justice was being done Similarly, is not enough to tell the investor that you are not striking at the root of his incentive, he must feel that you are not doing so I wonder if the Honourable the Finance Member can really say that a feeling is not there among the parties concerned that it would not pay any more to carry on productive activities? I agree that you cannot go merely by the whining of vested interests But I do feel that the proposals as they are framed constitute cumulatively too drastic and sudden an encrochment on those factors which make for profitable investment I am not prepared to argue this point with the Honourable Dr John Matthai I would defer to him in this matter as to whether or not the quantum of direct taxation is too much I agree with him that, to the extent that this budget deficit has to be covered, it must be covered by direct taxation falling on the shoulders of those who can bear it, not on those of the toiling masses There, I entirely agree But whether this particular direct taxation carries out the purpose effectively and equitably I venture to doubt For one thing, I doubt whether time has been given as in other countries in the West, where similar heavy taxation prevails, for industries to adjust themselves to the increasing demands of the State For another, even within the class of direct taxpayers, as Dr Matthai himself conceded, there might be inequitable incidence as between industries or different parts of the same industry or different sections of the investing class My own feeling is that some of the taxation proposals made by the Honourable the Finance Member are inequitable in their incidence on the taxpayers I shall refer to one of these taxes later on.

The Honourable Dr Matthai argued that the burden of direct taxation this year is less than that in the past year But it must also be remembered that the conditions that prevailed twelve months back do not necessarily prevail

today We are living in months of declining production I shall quote from the speech of the Honourable the Finance Member to remind this House of that fact

"Production", (he said) "has been hampered by the inevitable delay in obtaining capital goods in a world clamouring for them after the widespread devastation of war, by labour unrest and strikes in the country, by persistent difficulties in the rehabilitation of the transport system and by the terrible and tragic happenings in certain parts of the country which have not only marred the fair name of India but brought untold hardship and misery to large sections of the population"

All these are factors quite beyond the control of industry and commerce These are not factors for which you can blame industry Extraneous circumstances have made for declining production, and that is realised by the Finance Member Production is declining, profits are shrinking, industries suffer from shortage of raw materials, from unavailability of plant, from shortage of coal, from labour disputes and wage increase In fact, it can be argued that most of the benefit of the relief that came from the removal of E P T has gone in payment of a higher wages bill Personally, I welcome that, because I feel that labour should have a fairer share in industry But the fact remains that, now that E P T is gone, much of that benefit has already passed on to other hands than those of industry Therefore, you cannot fairly compare the burden of taxation last year with the materially changed conditions now You will have to realise that taxation that might have been justified twelve months back cannot be justified today That is my respectful answer to Dr Matthai As one who opposed the removal of E P T last year I still find it possible to argue that under the conditions that prevail today a smaller measure of taxation inequitably adjusted to industries might do harm and might strike at the roots of private investment

My real quarrel with the budget is this that, while the attack on the rich men's pockets may be good, it is not confined to the pockets of the rich only, that its repercussions will go very much wider if it hurts production in this country that it will hurt the poorest of the poor along with the richest of the rich However much I might share the desire of the Honourable the Finance Member to do social justice in the course of the budget proposals, I feel there are other ways of doing that and that too without taking the risk of injuring production that is so badly needed The proposals which the Honourable the Finance Member has made might defeat the very object which he has in view

I shall refer only to one of the taxation proposals amongst those that have been placed before the House, namely, the proposal for a special profits tax Last year Sir Archibald Rowlands said that "By all the canons of taxation, it, the E P T. was 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" I feel, Sir, that all those charges can be levelled with even greater force against the special profits tax This tax will hit the industry and in particular large corporations which employ a large number of well paid workers, with capital invested by thousands of small investors and giving a small rate of return It will not hurt comparatively small businesses which make huge profits I feel, Sir, that it is a thoroughly bad tax, like the Excess Profits Tax which preceded it and that it should not disgrace our statute-book

If it must be replaced I suggest that it should be replaced by a tax on profits beyond 7½ per cent or thereabouts of interest on capital employed After that certainly take away 25 per cent My Honourable friend Dr Matthai referred to the rate of interest falling That is true of the advanced countries of the west, but it is not so true of a country like India or a country like China or a country like Russia May I remind Dr Matthai that the Soviet Government which claims to be Communist pays an interest of 7 per cent on its State Bonds and 8 per cent on post office savings deposits? And

[Mr M R Masani]

these are investments in nationalised industries If after twenty-five years of an effort at Communism the Russian Government has to pay 7 or 8 per cent to its State investors, surely it is rather premature and optimistic to hope that in a backward country like India where capital accumulation is low, it will be possible to lower the rate of interest or dividend very substantially in the years to come, whether in private industry or in State industry I do not think nationalised industries can be run unless the State is prepared to pay something like 7 or 8 per cent in this country also

My concrete proposal, therefore, to the Finance Member is this In terms of our national income, our deficit is negligible, it comes to only 1½ per cent of our total national income of Rs 5 500 crores In terms of our national indebtedness it comes to 3¼ per cent of our total national indebtedness of Rs 2,200 crores That is not a deficit of which we need get too much alarmed My suggestion is not that it should be left completely uncovered—I do not belong to the "growing school" of Dr Matthai's "expansionists"—but that it is not necessary to go to the other extreme as he does and become quite so conservative and Victorian in one's conception of balancing the budget I believe there is a *via media* and that is that we can cover about 25 per cent of our total deficit raising about 15 or 20 crores by direct taxation And that can be done if the basis of the special profits tax is changed, linking it with capital and profits and allowing for a return of 7½ per cent on the capital employed That is my concrete suggestion I urge on the Finance Member that the demands of social justice can be met with various instruments I agree with his ends but I do not agree with his means I believe that the demands of social justice today call for the use of the ploughshare and not of the sword

Dr. Zia Uddin Ahmad (United Provinces Southern Divisions Muhammadan Rural) Sir, I join my other colleagues in congratulating the Finance Member on his departure from the traditional manner of presenting the budget I said previously that the 28th February is considered to be a day of judgment for business gamblers when fortunes are made and lost He has shown courage and confidence and the support of the House is with him As Sa'adi said

Deeda-i-Saadi o-dil hamrah-i-tust

I can assure him that all our support is with him

As regards the background that my Honourable friend Dr Matthai pointed out I agree that in the case of indirect taxation there are some difficulties Taxation on inelastic articles falls to a very large extent on the poor, but taxation on elastic articles such as the article of luxury falls on the rich, but the law of diminishing returns may apply and the income will fall short of our expectations So direct taxation really comes from persons who are in a position to pay

The second thing pointed out by Dr Matthai,—with which I entirely agree,—is that it was a great mistake last year to abolish the Excess Profits Tax I suggested that the Finance Member should have reduced it by 50 per cent and the present Finance Bill has to adopt measure to rectify the mistake of last year, in the same way as we rectified the mistake committed in the second Finance Bill of 1931 by imposing the special excise duty on sugar One important fact has not been pointed explicitly out and that is that all over the country there is now a communist organisation which it is not possible for us to disregard They are the parasites of every organisation According to Bombay plan the *per capita* income is only Rs 65 per month, and if you consider the income of Birla and Dalmia and others, you will find that millions of people must be living on a very meagre income, almost on a starvation diet. The feelings of this class of people will have to be considered, otherwise the

same thing will happen in India as happened in the destruction of Czarism after the Great War If you allow these two classes—the extreme rich and the extreme poor—to continue, conditions which existed in Russia during the great war which led to the destruction of the royalty, I apprehend the same position will be repeated The Finance Member has taken the right step at the right time when he can avoid such wholesale destruction, which may if left unchecked occur at any moment So something will have to be done and we cannot wait long The Finance Member says that this question of taxation has to be examined in a scientific manner The Standing Finance Committee also drew attention to this fact But that will take a long time and something will have to be done immediately and cannot be left for the future committee

The other thing we have to consider is the public demand We have for 70 years demanded the abolition of the salt tax When I joined the Allahabad Congress in 1892 as a volunteer—where the grandfathers of my Honourable friends Shri Sri Prakasa and Pandit Malaviya were present—two things were prominently mentioned, one being simultaneous examinations and the other the abolition of the salt tax The first we got long ago—in fact it has now become a unitary examination because the London centre has been abolished, and it is to the credit of the present Finance Member that he has satisfied the country's second demand pressed for last 70 years Objections have been raised about the two taxes mentioned in paragraphs 52 and 53 of the Finance Member's speech One is the 25 per cent tax on business profits exceeding one lakh of rupees I was thinking how this 25 per cent was arrived at, and I found it was a legacy from the Mahrattahs who used to levy *chouth* or one fourth Direct taxation is most desirable form when it is levied on persons who are rolling in wealth Now the thing is that it has been suggested that industries will suffer by this taxation I do not believe that industries will suffer to any extent because I have before me the dividend declared by various companies and this is much more than what we can get from Government securities or Bank deposits My friend Mr Masani pointed out the low bank rate of interest I have been pressing for the last seven years and I have been asking Sir Jeremy Raisman that the primary object of the Finance Member should have been to stabilize the prices and leave the bank rate of interest to find its own level But his predecessors followed the other method

1 P M

They stabilized the bank rate of interest and left the price to find its own level Therefore the result of this policy of a large dividend on one side by companies and very low interest by banks stands out very prominently and something will have to be done You cannot have on one side a bank rate of interest of 2½ per cent where honest people invest and on the other side you have a large dividend from 5 to 12 per cent given by these companies There must be some corelation between the two One way is that you take up some of this money to relieve the taxes The particular way in which the industries have been developing and plans have been formed show that they disregard the interest of the consumers

Now the other point on which objection was raised was that there should be no tax on capital, which my friend Mr Griffiths described as a tax on depreciation There I agree with one thing When you compare the values of two assets in different times, in 1939 and at the present moment in terms of the paper rupee then you have to take into consideration the price level in 1939 and the price level in 1947 Therefore the cost of any article in terms of paper rupee at the present time must have gone up three times because the price index is more than 300 in the essential commodities required for life There fore taking this into consideration that the prices at two different times ought to be compared according to the price index on different dates With these precautions the income-tax on the capital is not very objectionable It ceases

[Dr Zia Uddin Ahmad]

to be income tax on depreciation If you do not take into consideration the difference in the purchasing power of the rupee and measure it by a measuring unit which has changed altogether in value during this period, then this will be a little hardship and I hope this important factor will be considered and made clear by the Select Committee As regards these two taxations, the people may have objection and the greatest objection will come from the business men who are the only people who are bound to suffer and these business men have the monopoly of all the newspapers Therefore if you form your opinion on the newspapers alone, then surely none will be with me But if you take into consideration the opinion of honest people who are the consumers of the country, then you get opposite opinion Of the threat that has been administered that these industrialists will withdraw their support from industry and that they will not show the same enthusiam for production if their income is slightly diminished, I think that they are exceedingly unpatriotic and they will hasten the progress of nationalisation

Lala Deshbandhu Gupta (Delhi General) May I ask my Honourable friend, what is his view about "Dawn" which is owned by the Honourable the Finance Member

Mr President Order order That is irrelevant

The Honourable Mr Liaquat Ali Khan (Finance Member) It is not owned by me That is absolutely wrong

Dr Zia Uddin Ahmad Will my friend say how many papers are owned by Birla's and Dalmia's?

But there is a class of people, namely the Communists, who are out to destroy the capitalists in the same way that the Communists destroyed Czarism after the Great War and my friend must have this in his mind and take timely action that such things may not occur We are all in favour of capitalists but we are not in favour of an unequal distribution of wealth This cannot be tolerated in any country

As regards planning, my friend is familiar that in the medieval ages and in ancient India, every town was self-sufficient and they produced all the requirements that people wanted In modern times with the influence of the British now we begin to talk on an All-India basis and now we are beginning to take of international view I am very nervous about these international movements We have very unpleasant experience of the League of Nations and I greatly apprehend that all these international movements may not lead to the exploitation of the weaker countries I do not think India can be classed among the stronger countries just now So we have to move cautiously I again press, that whatever may happen to the international organisations and to the All India organisations, we should look into the question of the local conditions and make every locality self-sufficient This is the guarantee of the success of future progress

Coming now to Taxation Committee Sir Archibald Rowlands made reference in the Assembly when he went further and even fixed up the personnel of the Committee But we cannot wait till the formation and the report of the Taxation Committee because there is a great danger that the communist feeling may grow up at any moment, if it is not properly checked at the right moment

Now, as regards the planning that has been going on, I have certain difficulties which I would like to point out In the first place, there is no economic planning of the planning of different industries There ought to be an economic planning at the back of all the planning which we have drawn up and no priority is paid and there is no guarantee that all these plans will continue even after four or five years Then, all this planning ignores the requirements of the consumers All these plannings tend to raise the price level of various commodities Besides

on all this planning we have not taken expert advice All these plans were devised by persons who were interested in the industry and naturally they were interested in their own profits The result is that the incidence falls on consumers, who pay for the protection We have to give these industrialists subsidy from the tax-payer's money and at every stage the tax-payer is exploited for the benefit of the industrialist So, I would suggest that time has now come when we ought to appoint a Fiscal Commission in the same manner as we appointed in 1922 under the presidentship of Sir Ibrahim Rahmatulla This commission is very badly needed because the circumstances of 1947 are entirely different from the circumstances of 1922

Then, Sir, there is one thing which has been slightly touched by one Member but it has not been properly considered That is the question of defence Only one Member suggested that no planning has been made about the defence of the country That is really a very important lacuna in all these plannings and it ought to be made good I individually believe that we have to pool with a few other countries for our common defence It is impossible for any country to have a sufficient army, navy and air force for its own defence This is a thing which has got to be considered really by a Planning Committee

Sir, there is one point more which I cannot discuss now because I have no time and will bring it up later on, perhaps at the time of the Finance Bill That is the question of the disposal of the American goods I think negotiations with America have not been to our advantage That policy requires to be looked into very carefully The present policy benefits entirely the Americans and it is not in the interests of Indians It requires some change and we will take it up at the time of demands for grants With these words, I resume my seat

SUSPENSION OF QUESTION HOUR

The Honourable Mr. Liaquat Ali Khan May I just make a request to you, Sir? We have got three Bills in connection with the Budget which have got to be referred to a Select Committee I request you, therefore, to suspend the question hour tomorrow, so that the House may have some time to consider those Bills

Mr. President: If the various Parties in the House are agreeable, the Chair has no objection

Shri Sri Prakasa. Sir, I am not agreeable to this proposal, although I am not a party

Mr Leslie Gwilt (Bombay European) We have no objection to the suspension of the question hour tomorrow

Babu Ram Narayan Singh (Chota Nagpur Division Non Muhammadan) Sir, the question hour is the best privilege of the House and it must not be

Shri Sri Prakasa We can sit till 7 P M

Mr. President: I think we might take up this question at 2-30 Meanwhile, some negotiations might be started

The Honourable Mr. Liaquat Ali Khan: We have already had negotiations and all the Leaders of Parties have agreed to this course

Khan Mohammad Yamin Khan (Agra Division: Muhammadan Rural) My Party has no objection to suspending the question hour tomorrow

Sjt. N. V. Gadgil (Bombay Central Division Non-Muhammadan Rural) The other alternative is of sitting an hour late

Mr. President: That has been agreed to already and it is difficult to sit from day to day one hour longer Apart from the inconvenience to Members, I might

[Mr President]

just invite their attention to the fact that it involves so much sweated labour We should have some consideration for the reporting and other staff of the Assembly

Shri Sri Prakasa: Abolish the Lunch interval

Mr. President: I was just considering whether it was feasible to allow only those Honourable Members to put their questions who are particular about them If other Honourable Members have agreed not to put their questions, their questions need not be put

Shri Sri Prakasa That would be too obvious

Mr. President. Then, I hope those Honourable Members also will consent to the question hour being dropped when there is such a universal demand for it The question hour will, therefore, be suspended tomorrow

Then, may I make one more suggestion

The Honourable Mr. Liaquat Ali Khan May I interrupt you, Sir, for one moment? If there are any questions concerning my Department, I shall be very glad to meet the Honourable Member and perhaps I might be able to satisfy him more outside the House than inside

Shri Sri Prakasa My questions, if any, may be deleted I plead for other people

Mr President. I would like to make another suggestion In the matter of legislation, there is no time limit for the speeches It will, therefore, be better if the Parties could agree to have a time limit to discussion on these Bills which are going to be referred to Select Committees I do not mean to suggest that it is a matter of the right of the Chair or the right of any person, but, if by common agreement, that could be done, it would be so much better

Shri Sri Prakasa: I should like to know from whose quota Dr John Matthai got the time?

Mr. President: Not from the Congress quota but the Government quota

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

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The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr President (the Honourable Mr G V Mavalankar) in the Chair

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THE GENERAL BUDGET—GENERAL DISCUSSION—contd

FIRST STAGE—contd

Mr. Vadilal Lallubhai (Ahmedabad Millowners' Association Indian Commerce) Sir I am in full agreement with the Honourable the Finance Member in his noble objective of reduction of social inequalities I do not feel that there would be anybody in this country who would not support this noble objective which the Honourable the Finance Member has put before him and before the House But, Sir, we have to see these budget proposals in the perspective of present day conditions as to whether these objectives will be fulfilled by his proposals or they will be retarded I feel that the proposals are such that these objectives will not only be not fulfilled but they will be jeopardised After all we have got very little employment and a lot of unemployment and as Dr Matthai said a majority of taxes have to be from industry and trade and if the majority of taxes have to be from these sources, we must see that these sources do not dry up by any proposals which might remove the incentive from those who are engaged in industry We have to look at these proposals only with this view point that the noble objectives which the Finance Member has put before him are not jeopardised If we look at the budget proposals, they can

be classified under fourfold character The taxes are of four different kinds. Firstly there is the 25 per cent tax on business, secondly capital gains tax, then the raising of corporation tax by one anna in the rupee, and lastly he has raised the slab limit The slab limit was raised to a considerable extent last year It was then felt that utmost limit of slab had been reached If these taxation proposals are taken up singly, I do not feel that these proposals would be inequitable, but if you take their cumulative effect, the result would be so staggering and so disastrous that future industrialisation will stop, not only the future industrialisation will suffer, but also the present industries will suffer and in its wake we will have unemployment and under-employment, production of goods will suffer and we would lay open our markets to foreign products I would refer in this connection to what my Honourable friend Mr Griffiths said yesterday He is an Englishman and an outsider and let us see what he feels about these proposals if they are put into effect He thinks the results will be disastrous This is what he said yesterday

"The whole scheme of taxation was so drastic that it would damp down industrial prosperity with every possibility of private enterprise disappearing and sooner or later leading to economic collapse, the business profits tax was a fantastic proposal which would provide no incentive and it would be a definite discouragement to industrialisation"

I understand that foreigners have to gain much from these taxation proposals because if industrialisation is retarded in India, then there will be a steady flow of foreign goods into India and still as an honest and independent Englishman in India he feels that in the present situation of this country, if we are going to have this kind of taxation, then industrialisation will not only suffer but will completely disappear We have got to consider whether we are in a position to start industrialisation by the State If the State can start industrialisation, I have nothing to say, but if at the present juncture the State is not in a position to do so, and we all feel that the State is not in a position to do so, then it would be suicidal to damp the incentive to start new industries and jeopardise the present ones It would be said it is all tall talk that industry would suffer or that industry would be jeopardised I would refer to some calculations which are well known now to all of us In yesterday's *Hindustan Times* we have seen an example of cotton textile industry Take the example of a mill investing a crore of rupees, today it will earn about 15 lakhs But due to inflation the cost of machinery and buildings have gone up three times That is why the starting of a textile mill would cost a crore of rupees Similarly it would cost much to start other industries and with the new rates of taxation the cumulative effect will be that all that will be left for the shareholders will be only about one per cent dividend Do you expect that with the prospect of one per cent or 1½ per cent anybody will come forward to invest money in any industry By Honourable friend Dr Matthai propounded various economic theories I have no time to go into all these details because I have to refer to other points I shall refer to these theories later on when we consider to send the Bills to the Select Committees Then, I have a mind to reply to some of the points I have made certain calculations which go to prove that if a mill invests a capital of a crore of rupees and earns 20 lakhs profit, then out of this 10 lakhs would go for depreciation—but 20 lakhs is too big an amount of profit to earn in these days of difficult industrial conditions, such as labour troubles, decrease in production owing to various causes—taking an income of 10 lakhs as gross profit, if you deduct all these taxes, what will be left to the shareholders will not work out to even one per cent These are simple calculations and anybody in the Finance Department ought to be able to calculate them and they will come to the same conclusion as I did With such figures in hand, anybody can say whether industrialisation in this country will progress or will be retarded So far as I said the cumulative effect of these taxes will only tend to damage the industrial prosperity of this country So far as taxation of capital gains is concerned, I congratulate the Honourable the Finance Member on his putting up this tax This is a just tax, this is a correct tax and this tax will touch those who benefitted during the war.

[Mr Vadilal Lallubhai]

Shares of the value of Rs 100 shot up to Rs 1,000 and more during the war It is only fair that the State should take a portion of those huge profits in sale of shares And that tax should itself pay a good many crores more than the Finance Member estimates He expects to get 3½ crores out of the tax on capital-gains Sir, I have a list with me of capital assets sold in this country in the last two years, I find that the big ones only amount to 35 crores, and there are numerous small ones which also would come to several crores All these together would give more than 20 crores, while the Finance Member estimates only 3½ crores If the Finance Department goes into it thoroughly they will find that it will be very much greater The limit of exemption in this case is Rs 5,000 I think that is too small, because the small people sell, not to make a profit but because they want some money I therefore feel that that limit should be raised to Rs 15,000 or 20,000 so that the smaller men do not suffer

Regarding this business profits tax beyond one lakh, it is purely unscientific, as pointed out by my Honourable friends, and I will not dilate upon it I feel that this tax is very inequitable and should go There should be other avenues found to square the budget and reduce the deficit and, as suggested by Mr Griffiths, that can be done with the co-operation of all of us in a conference

As regards tax on luxuries my Honourable friend Dr Matthai said that there is some limit to taxation, because otherwise imports would be lessened and that source would dry up It may be good as a theory but we are in the present and not in the past or the future The present conditions are those of inflation and there has been an accumulation of demands in the last seven years, people want goods Take motor cars for example If we import a thousand motor cars every month and you raise the customs duty from one to two or three thousand according to size, we can easily get more than 2 crores I think the import of motor cars is more than I estimate Similarly if we tax luxuries we can get a lot more

The expenditure on the civil and military administration is certainly very heavy I can state from personal experience that all over the country in many offices of the Government of India there is not even one or two hours' work These offices are still kept up and the expenditure on them is increasing If investigators are sent to these places my statement will be borne out by facts Similar is the case with military expenditure My Honourable friend Mr Griffiths said that 40 pages of the Telephone Directory are taken up by the G H Q We are not retrenching as we ought to If something is done in that sphere there will be no need for taxation

Lastly, about the raising of the slab, it was raised heavily last year and Sir Archibald Rowlands said that he had tried to mulct the rich in this country as much as possible, and if we now raise the slab to this high limit, the accumulated results of all these will be disastrous My Honourable friend Mr Gadgil said that in future salt will be free to the poor while the rich will go to the grave Not only will the rich go to the grave but the whole country will be dragged to the grave if this kind of taxation is kept up We can, I feel, have lots of other avenues for taxation and these can be settled in a conference if we approach it in a spirit of friendliness

Sardar Sampuran Singh (West Punjab Sikh) Sir, I congraulate the Finance Member on presenting a good budget and also on his lucid and beautiful speech I congratulate him on his giving us aircraft factories, locomotive engine factories and converting ordnance factories into factories for manufacturing textiles and road rollers and other things I also congratulate him on nationalising the Reserve Bank of India But I also want to point out a few omissions It is high time that we should have motor car factories in this country and also factories for making tractors and agricultural implements These are essential for the country's development and urgently needed for producing more grain in the country People who are now placing orders with foreign firms do not hope

to get anything for at least another year So to cope with the demand we should put up factories for that purpose We appreciate the budget speech as it has shown sympathy for the poorer classes, but I am not satisfied that enough or anything has been done for them Heavy taxes are sought to be levied on the upper classes but they will reflect on the poorer classes as well Besides that I find that no constructive proposal for helping the poorer classes has been made in this budget This Government has inherited the traditions of a very expensive Government and I am sorry that I do not find any signs of economy or retrenchment to lessen the burden on the taxpayers That side, I submit, has been practically ignored During the war, several departments sprang up and they developed The war ended a long time ago but they are taking several years to be liquidated Therefore that is one thing about which I particularly draw the attention of the Finance Member He should try to liquidate all these new departments without which we did very well before the war and there is no reason why we should continue with them any longer So many of them are trying to justify their existence or for being permanent departments I think the Government should very carefully go into that matter and try to eliminate them without any exception

The real Indian nation lives in the village and their chief occupation is that of agriculture or such other occupations which are to help the agriculturist in carrying out his profession As I have already submitted that nothing is hinted in this budget or in the speech that anything special is going to be done for them We are in great want of grain and it is absolutely necessary that if we want to develop our country we must see to this side before any other Agriculture can be developed only in two ways by increasing the efficiency and by bringing more lands under cultivation

I have several times brought this thing to the notice of this House that large tracts are lying waste in several parts of the country especially in the north of the United Provinces, and that of Assam If those parts are handled and made fit for living of human beings by exterminating malaria and mosquitoes, I think a very large area can be brought under cultivation and this will provide all our present needs so far as food grain is concerned

Then we are fixing the pays of government servants and trying to establish the standard of wages of labour in industries We should keep in view that the nation lives in the villages and what is there for them? If they cannot make two or three rupees a day, there is no justification for increasing the pay of government servants or even to increase the wages of industrial labour In this House, time and again, we hear so much advocacy on behalf of these two types of workers for the nation Government servants are starving labour is starving railway labour is also very badly paid By all means give everybody whatever he deserves Give them even more, but first provide for the third class railway passenger and the agriculturist who works with his hands, before you distribute the wealth produced by them to other people

Sir, this budget is prejudicial to the interests of capitalists of the country The word millionaire is used pretty often and it is said people have made any amount of money during this war But I want to compare millionaires of my country with that of other countries because I want the industry of my country should come up to the standard of the industries in America and England, and if I want, I should see that there is accumulated wealth as well If you are trying to fleece those people who have tried to put themselves in a position from where they can do something for the country, you want to pull them down In this way I think your industry will be permanently impaired and those sources which are going to help in that direction will altogether become dry. Tax people all right but don't force them to lose that incentive which is absolutely necessary to improve and develop our industries which are hardly beginning yet

The little money that people made in the war has given a stimulus to the industries and we should get on to the tide and rise with it If we pull the capitalists

[Sardar Sampuran Singh]

down I am sure the poor of the country will not be pulled down For pulling him up you will have to adopt other methods and they are to improve agriculture and to give the means of education and healthy life

When I was long ago a student in London, I saw the living of those people there I thought we had no rich man in this country And I am sure that we should not even now deceive ourselves and think we are rich and wealthy people If we are to stand competition with those countries we have to make our people much richer so that they may be able to have resources to compete against them

I have only one more point to make and that is taxing capital gains We have a class amongst us, a parsimonious set of people who belong to all societies and have practised economy for generations and in every generation they have accumulated little money in the form of ornaments, in the form of a house, in the form of a field or two in villages, and at the time of distress they sell a portion of that property either to change its form to increase there income or for the education of their children or marriages in the family If we are going to deprive those people from the gain which they get out of their little capital, which they have taken generations to accumulate, I think you will be taking away that reserve of several families and you make them paupers all at once I think this tax is altogether unjustified If we want more income there are so many other ways We can tax luxuries more, tax spirits and wine as much as you can and yet those people who drink will certainly get their whisky whatever price you may put on it By taxing these things and by retrenchment and economy you can save money and make a balanced budget But do not adopt these extraordinary methods which cut the very root of the progress of the country

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa Muhammadan) I take this opportunity of congratulating the Honourable the Finance Member on having presented a Budget which has been received with the highest satisfaction in the country Never before has the Budget been received with that support which it has received this time The Honourable Member has shown courage and ability and above all a capacity to meet the needs of the country Socialistic order of society has been receiving lip sympathy from many people and from some sections of the House but here is a budget which will test the intentions of those who were talking loud on the subject of equality and distribution on equal lines

I would just confine myself to some remarks on the broad features of the Budget In the matter of relief, the poor man's salt is now without tax The taxable minimum has been raised from Rs 2,000 to Rs 2,500 for purposes of income-tax 17 crores have been given as a subsidy for the import of food, which will keep the prices level in a regular manner

3 P M

Yesterday when Mr Griffiths was speaking he asked—what has the Honourable Member done for the poor man Does he realise that these 17 crores that have been given as a subsidy is to enable the prices of foodgrains to be maintained at a certain level in order to help the poor man Again the income-tax relief helps a class of people who are badly in need of relief There is also the proposal to nationalise the Reserve Bank, which again is a socialistic feature of this budget

The great thing which this Budget has produced is the prospect of cheap money which will fight inflation and also give industries a position by which they can develop themselves Nobody would expect the high dividends that they have been doing so far The Congress ministries in Bihar and U P thought that they should abolish zamindari and they also probably thought that it was in the interest of creating a democratic socialistic state for the uplift of the growers and farmers Now this budget will probably give a hint to the people that a time may come when the industries also may be nationalised but I find that there is a section of interested people or people with vested interests who

have not received it with that happiness which was expected You cannot blow hot and cold at one and the same time Either this country is going to develop on a socialistic basis or on the imperialistic basis Once you have decided on the socialistic basis, you cannot act otherwise My friend Mr Griffiths said yesterday that the whole scheme of taxation is drastic and it will lead to economic collapse and he thinks that commerce and industry should not have been taxed in the way in which they have been taxed He has a soft corner for all those traders and industrialists who earn above one lakh of rupees and although he pleaded for the common man, his idea of the common man was a man who earns a lakh of rupees per year in this country

Mr P. J. Griffiths (Assam European) On a point of explanation I said nothing of the kind

Mr. Muhammad Nauman: You may change yourself You made that speech

Mr. P. J. Griffiths. My friend is misquoting me Let him refer to the report of my speech I said nothing of the kind

Mr. Muhammad Nauman: Well, Sir, I do not want to fight with him on the floor of this House When I interrupted him, he was anxious about establishing trusts and big industries

Mr. P. J. Griffiths: I did not mention the word 'trust' at all

Mr. Muhammad Nauman: Very well Our idea is that we would rather have smaller industries and cottage industries than the creation of trusts and big companies, with a capital of hundreds and thousands of crores, which will interest only a few people, a handful of capitalists, which will not benefit the common man, the average man Our idea is that the industries should not be the monopoly of a few capitalists and industrialists Men of lesser and smaller means should be able to compete with him by their hard labour We want men with small investments to prosper and from that point of view this budget is a great innovation in itself

A lot has been said that the new taxation will strangle industry and that it will cut at the root of industrialisation in this country Nobody has mentioned how this industrialisation has been going on and at whose cost No industry has been able to support itself without State aid and every industry has been clamouring to have tariff protection against foreign competition and they have also been clamouring for protection in the matter of export of those raw materials which would be used by them

I would give a concrete example Take the sugar industry which has developed itself very well in this country In 1924 and afterwards, Java was quoting sugar at Rs 3 2-0 a maund, c i f Calcutta but our industries were not able to produce at less than Rs 11 8-0 and we had to pay a protective duty against the import of Java sugar at the rate of Rs 8 per maund That means it was done at the consumers' cost and it was more or less a subscription which was being paid by the consumers who are the 400 millions of this country We have been paying this subsidy not for one year or five or ten years but for 16 years

Then look at the tanning industry There have been tariff walls against the import of leather because they cannot compete in the open market but there is also a cry that we should put a ban on the export of raw products because they could not compete The producer and the consumer have both to be sacrified in order to develop this industry This is the position about the consumer and the producer

Now these industrialists are against the imposition of duties which will expose them to competition from outside, in the open market And when this money has to be paid by these industrialists for whose benefit it was spent, they grudge it I cannot imagine any argument which would be in their favour by any chance I would leave it to the decision of the House to see what arguments

[Mr Muhammad Nauman]

they have They want that the State should not get any income from imports and exports which are not in their interest because they cannot compete on world parity prices with consumer goods At the same time, when it comes to the balancing of the budget, they say they are not prepared to pay for it and somebody else should be made to pay for it

I will now come to some other aspects of the same thing Mr Manu Subedar said that the Finance Member is not only taxing the rich men and the big industrialists but he is also taxing the small shareholder who gets a small dividend Sir, the dividends which a shareholder gets are not income-tax free He has to pay the income tax and then apply to the income-tax authorities for its refund If he is entitled to the refund, the money is refunded to him That is an open secret, which should have been taken into consideration

Now, Sir, it has been said that the industrialists have not made a very huge profit and why should they be taxed so much But if you just look into the facts of the share market you will find that the face value of 100 rupee shares has gone up to Rs 500 or Rs 600 within the last three years Tata's shares are probably being quoted at about Rs 2,000 whose face value is only Rs 100 Is that fighting inflation? Is this real business and trade? That is what I want to know from these Honourable Members who have been opposing the budget on some line or other

Lala Deshbandhu Gupta. What was the pre-war value of Tata's share?

Mr Muhammad Nauman. If you compare the present value of Tata's shares with that prevailing in 1938-39, it will be seen that it has gone up by 400 times I am glad my Honourable friend has interrupted me

Lala Deshbandhu Gupta: What was the pre war value of Tata's share which is now being quoted at Rs 2,000?

Mr Muhammad Nauman. Now, Sir, I will refer you to the currency position During war years we have been balancing our budgets mostly by a system of borrowing with the result that today our indebtedness amounts to 2,000 crores, which was never the case before in this country Last year we wanted to have about 260 crores by borrowing but we could not raise more than 112 crores as the Honourable the Finance Member knows and to this reference was also made by Mr Tyson You can see what it means It means that inflation is being kept on by this artificial position of the money All these industries which are earning a huge profit, which they do not deserve, have been keeping the inflation in this country to the extent that they should not have done

Now, Sir, I do not propose to go into a very detailed examination of the proposals which are going to the Select Committee I will only say this that on the face of it the proposals are sound and should receive the consent of the people and I hope that the House will agree with them *in toto* Dr John Matthai has very ably said that those people at whose sacrifice and cost this budget is being discussed, that is, by the absence of import and export duties, they are the people who should pay and nobody else With these few remarks I resume my seat

Pandit Sri Krishna Dutt Paliwal (Agra Division Non-Muhammadan Rural) (The Honourable Member spoke in Hindustani For Hindustani text, see Appendix to the Debates for the 4th March, 1947 English translation is given below —*Ed of D*)

Sir, the presenting of budget by the present Finance Member is a matter for joy Firstly, in the British Government's history of India it is the first time that an Indian Member is presenting the Budget Secondly, the Finance Member is not an official nominated member He may be called a representative of the public Thirdly, he belongs to our Province Fourthly, the feelings which the Finance Member have expressed for the people of India are liked by all Indians Fifthly, he has abolished the salt tax, for the abolition of which the Congress had been trying for the last 50 years and to which Mahatma Gandhi's attention was drawn Sixthly, he

has increased the minimum exemption limit for income-tax from Rs 2,000 to Rs 2,500 Seventhly, he has taxed the rich and left off the poor Every student of economics knows that if the wealth of the rich is distributed among the poor it betters the nation and increases the National Wealth as well as the Economic Welfare Patriotism too increases accordingly If, therefore, Nawabzadah's wealth is given to me it will be good

Shri Sri Prakasa: Do you know how to wear a necktie?

The Honourable Mr. Liaquat Ali Khan: He will learn it after getting the wealth

Pandit Sri Krishna Dutt Paliwal: But the range of happiness ends here Nothing more can be said for this budget The fact is that the sixth and seventh items of joy aforesaid are not matters for joy because the minimum exemption limit is still low You all know that in these days value of money, expenses on necessities of life and all other things have increased to double and fourfolds Under the circumstances 2 or 2½ thousand will hardly mean Rs 800 The exemption limit for the income-tax should have been fixed at the least at Rs 3,600 or even more

So far as the seventh item is concerned that is, taxing the rich I may plainly say that I have no sympathy for the capitalists These capitalists are alligators and they swallow the whole man without a single belch and then shed crocodile's tears How can one feel sympathy for them? They are crocodiles and they deserve no sympathy It is no Communal question The whole world knows that these Tatas, Birlas, Isphanies and Morgans are all alike They are one brotherhood In spite of Marx's teachings a hundred years ago the labourers have not united but the Capitalists who suck the blood of the labourers have all along been one and are at present one It is rightly said for them that they belong to no country and they are one I have therefore no sympathy for them These Capitalists are very clever but they are their own enemies We see a funny thing today Nawabzadah Liaquat Ali Khan is a socialist A friend of mine who is a big *zamindar* and a *taluqadar* is also a socialist My friend Mr Nauman has also turned a socialist There is a saying in English 'Too good to be true ' That this budget is socialist and these friends of mine are socialist seem to me too good to be true As I have said I have no objection if these people are taxed To doubt any one's intention is not good nor is there any occasion or necessity for it It may not turn out a quack who is a danger to life With the end of the malady the patient may also not end I have no sympathy with the Capitalist but with the Capitalists the capital of the country may also not disappear We must consider it You may levy as much tax as you please on the professions but if it destroys the professionists you will have to think over it As Dr Matthai has said we must see that it has no damaging effect on the industry of the country These things belong to the public They do not belong to the Capitalists We are therefore to look at them from the point of view of the public First of all the question is whether this budget is a socialist budget or not I have also said that the meanings of socialism have now become this that our Nawabzadah and Mr Nauman have also become socialist When we see this fun that the black marketeers of Bombay and Calcutta pay money to the socialist party and bags of Rs 10,000 and 20,000 are being presented to the socialists of Cawnpore we get a shock and think what sort of socialism is this? What benefit will it give to the Country? We have to see this budget also from the same point of view What benefit will it give to the man called a common man in English In fact the people who talk of the Common man know only as much about the common man as they know about the man in the moon They do not know where the common men live. 75 per cent of common men live in the villages If your budget is so calculated as to relief to the common men and to the people who live in villages it is, as I have said, a matter for joy. Today the Government's

[Pandit Sri Krishna Dutt Paliwal]

attention is bent upon extracting money from the pockets of the capitalists, but the common men do not desire that you should harm the capitalists They desire their own good and nobody's harm The question is What have you done for the public in this budget?

I like to know what good has been done to the common man in this budget? What benefit he will have? Let us see the three or four things in the budget which my friends have counted It is true that the rich have been taxed but it gives no relief to the poor who do not want to make others poor—nay they themselves want to become rich What have you done for their progress? The second thing that you have done is that you have raised the minimum exemption limit for income-tax from Rs 2,000 to Rs 2,500 Who in the villages give tax on Rs 2,500? Third thing that you have done is that you have abolished the salt tax It is a great thing from an emotional and historical point of view but it adds nothing to economic and material welfare The fourth thing is that lip sympathy does not go very far As I have said in the beginning very fine feelings have been expressed for the poor people but the world knows that emotions and oily talks do not cover the shame of the body It does not satisfy the hunger of the hungry Have these tiny things done so much good to the world that nothing is left requiring good to be done to it? The question is what have you done for their practical welfare? You could have reduced the price of the post card, you could have reduced the tax on tobacco you could have done many things to give them their necessities of life You could have easily made arrangements to provide them with their agricultural tools for which they do not get iron You could have arranged to supply them with wood for their ploughs and cement for their wells You could have made arrangements to supply them with cloths for their apparel They see that in the towns people get ten seers ten chhataks of sugar while in the villages it is being discussed that they should be given one seer of sugar for one year What have you done for them in the budget? The thing to be seen is this Have you made any provision in this budget to give these millions of cultivators a fair price for their produce? You have made provisions to spend 17 crores of rupees to import foodgrains from foreign countries Instead of 17 crores of rupees if you had paid reasonable price to the cultivators your paper campaign of "grow more food" could have been successful Ten to twenty per cent of it can be successful by such an effort Our thought has not gone to it and no provisions of the kind have been made in the budget So I say that leaving aside emotional and showy talks there is nothing in the budget which is beneficial to the poor, the public and the cultivators I want to warn the Government that the people of the villages are not the same as they were before They are now awake and see every question with the eye of the villager If the Government did not arrange to give reasonable price for the produce and did not cater to their wants it will be very difficult next time to realize *lagan* from them Our Government and the Finance Member who belong to my Province will try to think over these things and make such provisions in the budget as will give true and real financial ease to the public and the villagers

Shri D. P. Karmarkar: (Bombay Southern Division Non-Muhammadan Rural) So much has been said about estimates for this year since the Budget has been presented that I will take care not to repeat the points already made After having heard very carefully all the speeches that have been made by Honourable Members who have preceded me, my effort at this moment is to forget all about the figures which I have looked through, and just to look at the Budget as the layman would look at it and to invite the attention of the House to a few broad considerations that would strike a layman like myself

When we go back to our respective constituencies we cannot certainly take advantage of the learned disquisitions that we have before this House One question which our constituents will ask is this Look here, here is the Interim National Government in office, and here is a very able and competent Finance Member that you ever could have had, and now what is the relief that is brought to us in the near future If I have to reply that question, I can only say that on the side of relief you have got the exemption of salt tax He will also feel relieved that the relief for which countless Indians have made innumerable sacrifices has at long last come But, Sir, by the time that this relief in the shape of abolition of salt tax has come the nation has been subjected to so many miseries as the aftermath of the war That relief which the Finance Member has been able to give by way of exemption from salt tax simply dwindles into insignificance when we compare the miseries which the civil population had to undergo during the war and are still undergoing On the top of that when we come to a situation that in spite of the best efforts, we arrive at a deficit in the budget to be covered by additional taxation, with the present circumstances and with the present environment round about us, not only amongst people who are taxed directly but also people who are not, there is nervous tension visible everywhere on account of the abnormal conditions prevailing That nervous tension has still further been aggravated on hearing of these fresh taxation proposals Apart from the fact that an Interim Government is to have its own civil estimates, to my mind it appears that we are passing through a transition stage The figures show progressively that during the last three years, since 1945-46, our civil expenditure has been going up whereas our resources have been going down When we analyse this year's budget proposals, we have to ask a double question Firstly whether the expenditure that is sought to be provided for is really expenditure that was necessary under the present circumstances If, yes, then whether the proposals for raising revenues as sought to be raised are based on justifiable foundations To the first question on giving attention as a layman, I do feel that the Finance Department has not tried to show how the expenditure that has been provided for next year was necessary to be incurred Now, Sir, analysing the memorandum and other papers circulated along with the budget proposals, we find that during the last three years, anomalies have appeared After the end of the war, in certain departments of the Government of India expenditure has been rising up If we just glance at the expenditure incurred on civil administration—I will not take the House through a long list—I would invite the attention of the House to the period preceding just the period previous to the war From 1934-35 to 1938-39, the year when war was declared, our civil expenditure was nearing somewhere round about ten to eleven crores I will not burden the House with all the figures After the war began, from 1939, for the first five years covered by the war, I find from 1939-40 to 1943-44, the civil expenditure stood at an average of 14 22 crores We find in 1944-45, there was an increase in civil expenditure by about ten crores The accounts for 1945-46 show an amount of five crores more, namely it stood at 29 4 crores That is at the end of the war After the war ended, during 1946-47—very likely there is some explanation, but I am sure that that explanation will not be wholly justified—the expenditure immediately soared up from 29·4 crores as in the previous year to 43 41 crores This year again, in the budget year, we find that the civil expenditure budgetted for is 42 crores. I would respectfully suggest that this increasing spiral of expenditure in civil administration, so far as one can study from the papers and from statistics, is certainly not an index of efficient administration but certainly in some respects unjustifiably faulty administration That is the first point to which I would respectfully draw the attention of the House Secondly one of the Members asked why this deficit is so great It is due to the fact that defence expenditure

[Shri D P Karmarkar]

is so great Speaking subject to correction, it is very likely that the Finance Department has taken the figures of the defence expenditure straightaway without much scrutiny I do not like to offend anybody But I am not able to explain the next year's estimates of defence expenditure mounting up to the tune of 188 crores It will be within the knowledge of the House that prior to the war, our expenditure on defence services stood somewhere about 52 crores In 1938-39, and 1939-40, our defence expenditure was 51 crores In the first year of war, it rose by about 25 crores, and in 1940-41, it rose to 75 crores Then again another year of war and intense preparation for the war on our eastern front, the expenditure in 1941-42 rose to 105 crores Now, we are asked to believe that 2½ years after the war ended, the expenses stand at a higher figure We are at a period when we must think of reducing our forces to the minimum possible extent We are living through a period of transition As Dr Matthai observed it is of the highest possible importance that our budget should show us credit in the world markets and in world opinion At a moment like this any slackness in reducing expenditure to the minimum possible under any head would be taken by posterity to be nothing short, if I may respectfully say so, of criminality from social point of view The spiral of expenditure during the last three years shows not as great a decrease as it should As we know the expenditure under defence services in 1945-46 stood at 360 crores It came down to 238 crores next year Having no expert knowledge or intimate inside working knowledge of defence services, looking at it as a layman with some common sense, I should say that with proper efforts on the part of Government as a whole, it should not be impossible to reduce this 180 crores to something like 150 crores or even to 100 crores as my friend suggests That is a point in which the budget appears to be weak I will not dilate on this question any further, but I would invite the attention of the House to the supreme importance of scrutinising every little pie of expenditure to be incurred during next year I have no time to refer to the various departments which show greater expenditure during the budget year I have also no time to show that some of the expenditure budgetted for can be avoided Schemes that should come first should come first, no avoidable expenditure should be incurred If it can possibly be postponed such expenditure ought to be postponed without much detriment to national interest If the figures of expenditure are reviewed from this point of view, particularly from the point of view of reducing defence expenditure and secondly also introducing immediately not in the manner in which the Honourable Member has sought to give us assurance by appointing Economy Committee tomorrow, but as was done 23 years ago, send a request to every department to curtail expenditure immediately by about 5 to 10 per cent That is the first immediate step that should be taken Certainly a closer scrutiny of expenditure of each department will show that some reduction is possible If that is done in each department, then certainly this deficit would be reduced still further I have finished with that aspect of the point

Now, I come to the second point, namely the point to which attention of the House has been invited yesterday and today, that is about taxation I should make one respectful submission to the Finance Member In one part of his budget speech he has treated the present as a period of transition Nevertheless he has thought it fit to try and place on the statute book a measure of taxation on business profits Now having given what little time I could to a study of capitalists I confess that I have a prejudice against them and their working as such I hope I am correct when I say that certain capitalists have taken absolutely unjustified—I was almost saying criminal—advantage of their position during the war If they had taken money from somebody who could not afford to pay that would have been crime number one, but I regret that the profits that some of them made were made at the cost of the blood of

large masses of my countrymen Holding this view it is easy for me to watch with a sense of detachment that some punishment comes to those who in my view have made unnecessary and unjustifiable profits But we have to view this question from a large and national perspective I am afraid the Honourable Member has confused one idea with another On page 25 of his budget speech he has given moral justification for his taxation proposals and he says very rightly

"A set of conditions in which the few are able to wield such vast power over the many can hardly be regarded as anything but a negation of the principles of social justice And although I am not one of those who consider the abolition of private property and the complete equalisation of incomes as the only remedy for these ill, I do believe in the *Quranic* injunction that wealth should not be allowed to circulate only among the wealthy, and the stern warning given against accumulation of wealth in the hands of Individuals"

This is a dictum with which even those who have not had the good luck to read the *Quran* will agree Ideas of social justice and conduct and good administration require that wealth should not concentrate in a few hands It would be vicious for a society to permit accumulation of wealth in a few hands so that it would be a danger to the body politic as a whole But in order to work out that proposition we should have to take a long view and have a definite programme, and we shall have to pause and consider every step before we take that step For instance, applying this theory to the conditions under review we have at the present moment in India a large mass of enterprises as private enterprises I do hope that a day will come when the whole wealth will belong to the toiler and the peasant and they will not be treated—as they are sometimes treated—as objects of humanitarian charity, but that they will come into possession as a matter of right and privilege It is due to them as creators of wealth But in between today and that day we should so handle the whole affairs as to be a stage of transition This stage can come by revolution as in Russia or it can come by evolution as in Britain, by slow reforms and the like Now in my opinion it would be wrong to confuse the working out of this principle and bringing that into practice for meeting the emergencies of the budget For myself I would not be against taxing anybody to any extent possible if it serves the national good And if the Honourable Member had said that this is an aftermath of the war and the same emergent steps have to be taken as were taken during the war, that would have been understandable, and this according to him is the scheme for working out social good according to the principles which we all hold But having said that, if he had not confused the two things this controversy over placing on the statute book a taxation measure for all time would have been avoided I will not dilate on this point very much but will merely content myself with saying that the Honourable Member will be able to respect the wishes of all sections of the House if he considers this matter in a manner which will be just which will be relevant and which will meet the needs of the situation

Sir, my last point is this During the abnormal period of the war many taxes were piled up one over the other In my own way I think that it should be one of the first duties of a national Government to see if any relief can be given by way of reducing that taxation We sometimes talk serious things and we talk of things that will happen ten or twenty years hence The Damodar Valley will certainly make us rich and we should devote our attention to that But along with the Damodar and Mahanadi Valleys let us also try to ameliorate conditions in the valley of tears which is found in every poor man's home on account of our having taxed his kerosene and his match-box And even though this budget shows a deficit I would still invite the attention of the Finance Member to the absolute necessity of giving some relief to the poor cottages whose inmates suffered so grievously during the war

[Shri D P Karmarkar]

Lastly, I wish to invite the Honourable Member's attention to some very small details which I hope will be corrected or explained in his concluding remarks For instance, in regard to the corporation tax I find that in the revised estimates for 1946-47 the realisation has been 69 crores, I do not understand why in the estimates for 1947-48 this should have shrunk down to 44 crores I do not know whether Government intend to have an ordinance by which they can close some companies and stop any more additional revenue Then for the coming year the tax is shown as 31 crores I do not see why this additional tax on account of additional burden on companies should be 31 crores only

I will not deal with any more details as I have reached the end of my time but I will invite the Honourable Member's attention to the fact that some of these figures on the side of revenue appear to be gross underestimates If so, I think he would do well to go again through the whole position and look at the matter afresh so as to give greater relief to people who are in need of relief

Mr Ahmed E H. Jaffer (Bombay Southern Division Muhammadan Rural) Sir, last year when Sir Archibald Rowlands delivered his budget speech most of us expressed the hope that that would be his last budget Indeed we are very happy that this year India's budget has been presented by India's first Indian Finance Member and we heartily congratulate him upon it Congratulations have been showered upon him from all sides of the House, and I respectfully offer him my bunch of roses in addition to the boquets that have taken to his lot

Sir, in this budget there are several features which I very much welcome but there are some which require reconsideration, and I hope they will be carefully examined in the Select Committees I must congratulate the Honourable Member on his announcement as to the nationalisation of the Reserve Bank It was only a few days ago that he gave us his views on the subject while replying to the Resolution moved by my Honourable friend Mr Tamizuddin Khan, and it is very encouraging that so soon after that, he has decided that the bank should be nationalised This shows that he is a man of action and that he does not believe in words Sir, for the last several years we see every year Dr Zia Uddin Ahmad bringing forward a resolution on the subject of the abolishment of stock exchanges in India It must now be a matter of great satisfaction to him, as it is to most of us, that the Honourable the Finance Member has got in this budget, proposals to check speculation in stock exchanges, bullion and other exchange markets and I am sure these proposals will give profound satisfaction to everybody in the country

I think it was my Honourable friend, Mr Manu Subedar speaking yesterday, who said that the income-tax levy should be raised from Rs 2,500 to Rs 3,000 I whole heartedly support it I think it would give relief to poor people whose incomes at the moment are Rs 200 because at present this income includes dearness allowances and I feel that either dearness allowances should be excluded from the levy of this tax or the minimum should be increased to Rs 3,000 instead of Rs 2,500 as now proposed in the budget

With regard to the salt tax, I need hardly say that I had a resolution tabled in this session whereby I proposed that the salt tax should not be abolished I did feel then, as I felt now that it would not affect the poorest of the poor But indeed notwithstanding the fact that on purely financial grounds I was not in favour of the abolishment of the salt duty this year, I still feel having regard to the general reception of this measure throughout this country that the Finance Member's instinct has been very correct and proved to be very popular

With regard to tea duty, it is my emphatic opinion that this measure was long overdue and whatever European interests may say, the Indian consumers of tea will welcome it and the Exchequer will benefit from it

Lala Deshbandhu Gupta: A duty on jute would have been more welcome!

Mr. Ahmed E. H. Jaffer: There is no clear indication from the Honourable the Finance Member's speech as to the Government's policy in the matter of inflation Prices are going up and production in almost every line has fallen This is a very unhealthy state of affairs Some active Government measures are required to correct the situation and I would request the Finance Member to have a close examination of this problem in consultation with the departments of Commerce and Supply and Industries and Transport, because this is an evil from which the common man is suffering and which requires to be attacked from all sides

Another very effective weapon in preventing further inflation is to take steps for the greater production of both agricultural produce and manufactured articles to meet not only the pent up demand of the country in respect of these, but also the increasing requirements of a rising standard of living of the masses It is necessary to secure for industries all the requirements for increased production, such as capital goods, raw materials at stabilized prices the stabilization of industrial wages, the prevention of industrial strikes and above all a liberalization of the control machinery in the interests of industrial development I would suggest, Sir, that a special portfolio of Production should be created in place of Industries & Supplies so that greater attention is paid to the problems concerning production

In the United Kingdom and the United States of America after hostilities have ended, production has gone up considerably, and I feel that even in India something should be done to see that production is increased considerably

In this connection I was glad to hear the suggestion made by my Honourable friend, Mr Manu Subedar, which I heartily endorse, that while the scarcity lasts, and high prices prevail and black markets are rampant, the import duty of certain articles may be suspended for a period of two years He mentioned the articles in which the black-market was rampant, namely, steel, cement, timber, paper, cloth and sugar The first three out of these relate to the housing activity in the country The State has not enough capital to put housing, the progress of which stopped throughout the period of the war All these intensive demands of accommodation could be only put right by giving scope for private capital and private enterprise The availability of materials at controlled prices is not there in sufficient quantity and therefore house building is practically at a standstill The horrors of overcrowding, heavy rents and *pugree* were bad enough during the war But Government should take more active steps than they have taken hitherto in order to allay this acute shortage, and there is no measure calculated to bring out from hoardings and to reduce black-market more effectively than the one which has been suggested, namely suspension and removal of import duty for an emergency period of two years for these articles. From the angle of resettlement of soldiers and increasing employment generally this is also the best possible measure which Government can adopt The removal of this import duty will not have an effect on Indian producers as their goods are earmarked for quota for those who have quotas and they are getting full price on the basis of their cost and will have a psychological and profound effect on the hoarder the black marketeer and profiteer and many stocks which have disappeared underground will come out for the use of the general public and the consumers As the quantities of these articles available from outside will be less, the suggestion that the State will lose money will be incorrect The State would have accomplished one of the most cherished objectives, namely, to increase employment and to increase housing accommodation and to remove black-marketing

The reputation of this Government in controlling the destinies of India depends on the manner in which they deal with the problem of food, clothing, housing and black-markets Towards this objective all measures which can

[Mr Ahmed E H Jaffer]

be suggested must be examined, and I am sure Government will find that what I have suggested today will go very far in that direction

Sir, I should now like to refer to the Decimal Coinage Bill I would like to say that this Bill should not be pushed forward in this country Even England has not yet abandoned the pence which is the 12th part of the shilling, and while our attention is taken up with other and bigger problems, it is only proper that these refinements should wait and should not intrude into the field of legislation at present The same remarks apply to the abolishment of the silver rupee and the substitution of the nickel rupee This is not going to be a popular measure and indeed the object with which it has been put in is in no sense urgent The return of the silver to America is still many years ahead and it is no use precipitating such unpopular methods which I believe are the legacy of the previous administration and could not possibly have received the closest attention from the Honourable the Finance Member since he assumed office

Coming to the new taxation proposals, I would like particularly to make my objection known to the capital gains tax in the form it has been put forward In India people save capital like houses, jewellery, and even shares When there is a debt, when there is a partition or a distressing situation in which the family is found, it is not right that the State should on such occasion come and claim what would in many cases be from one quarter to one-half of the total realization There must be a method to save the *bonafide* family transaction from the operation of this tax, and if the method cannot be found the tax should not be pushed on, because in the form it is now sought to be introduced, it does not exist anywhere in the world As for those who deal in stocks and shares and other assets as a trade, the tax is already collected in the form of income-tax By this tax most of the people in India will try to avoid taxation and there will be dishonesty everywhere, and in this connection I am reminded of the words of Gladstone, the Chancellor of the Exchequer who had said "Income-tax had converted Britain into a nation of liers" That would, I am afraid be applicable in the case of India

I have not said much about the proposed business profit tax There is no doubt that it will check the flow of capital into industry It will restrict development and reduce production These effects will be disastrous to the country and therefore I trust in the Select Committee the whole matter will be carefully examined Direct tax should not be levied in order to make up a temporary deficit If this tax must come, it should be seriously modified The taxable profit should be the surplus after 5 to 6 or 7 per cent of the capital employed has been deducted The effect on the small shareholder and pure investor must be kept in mind and his expectation of a reasonable dividend should not be frustrated by a measure of this kind which requires most careful consideration The other day my Honourable friends Mr Ghani Khan and Sardar Mangal Singh asked if the money does not come from the rich where it should come from Of course it must come from those who can bear the burden, who can afford to pay, after a close examination of the problem, so that the deficits could be made up and the interference in the life of the community and the damage to production should be minimised

The whole of the difficulty of the Budget is due to the financial incompetence of the Defence Department Why has not demobilisation been quicker? Why must they continue a heavy establishment and on the staff side why should General Headquarters staff still be of the order which requires 42 pages of the telephone book There is something seriously wrong about all this and I would ask the Finance Minister to immediately control military finances as well as the policy involved behind it, in order to check the amount of money which will be spent next year Economy in the Defence Department alone ought to yield something like 30 to 40 crores if everybody

4 P M

put their heads together In the same manner, civil expenditure also which is four times what it was before the war and seems to be excessive must be brought down There would have to be a special section dealing with this Military finance and I suggest that there should be no delay in the starting of the good work of the Economy Committee which is proposed by the Honourable the Finance Member Attempts should be made to bring down expenditure within the competence of this country without resort to heavy and excessive levies which might interfere with production and which might curtail the period of employment

Now, I will refer to the question of the sterling balances Apart from these matters of domestic importance there are certain other questions which have a direct bearing on the economic progress of India, such as the exploratory negotiations which the British Government have recently initiated with the Government of India regarding the payment of India's sterling balances in the United Kingdom India would not countenance any talk of scaling down even a part of these balances during these negotiations The financial position of the United Kingdom has materially improved with the conclusion of the Anglo-American Loan Agreement and with the effective export drive of the United Kingdom and it is but fair that the British Government should honour these credits, which were honourably and generously given by India at great sacrifice to herself

The richest country in the world with the exception of the U S A is trying to evade or otherwise curtail its honourable obligations to the poorest country in the world The belief that India has not suffered as a result of the war has already been dealt with in no uncertain terms by the Honourable the Finance Member In his strong hand to realise fully and in a form convenient to India all that U K owes to this country he will have the support of every Member of this House and every Indian throughout the sub continent It was said that India is the darkest spot of Winston Churchill who cannot see the right thing when it comes to India Mr Churchill's recent fulminations have been adequately answered by the Honourable the Finance Member in his speech and on this issue let Churchill note that there is no difference of opinion between any section of the population of this country Sir I have done

[(At this stage Mr President vacated the Chair, which was then occupied by Mr Deputy President (Khan Mohammad Yamin Khan)]

Chaudhri Sri Chand (Nominated Non Official) (The Honourable Member spoke in Hindustani For Hindustani text, see Appendix to the Debates for the 4th March, 1947 English translation given below —Ed of D)

I offer my heartfelt congratulation to the Finance Member for the budget which has the distinction of at least one thing that it contains no new tax for the poor It is contended for the salt tax that it is merely emotional and is in no way beneficial to the poor The people who speak like this know in their hearts that it is of great benefit to the poor But, if really it is not beneficial to the poor, yet all people are not emotional For the abolition of the salt tax I once more congratulate the Finance Member The thing is that I belong to the district which is a salt-producing district There are wells of salt Prior to the levying of the tax 50 thousand people lived by producing salt After the tax was levied this population gradually vanished I know of Bharatpur State where 100,000 of people were engaged in salt production When this tax was levied the British Government made a treaty with the State and the production of salt was stopped there The result was that the people who produced salt all disappeared Now, that the salt-tax is abolished and salt production will no longer be banned by law, it will be the source of livelihood to several *lakhs* of people In addition, there is another tax which has escaped the attention of the Finance Member This tax is very heavy on the poor It is tax on tobacco The cultivators of tobacco pay not one but two taxes They pay one tax in the form of

[Chaudhri Sri Chand]

agan to the Provincial Government and as much as Rs 75 per acre to the Government of India This is unjust and I should request the Finance Member to abolish this tax also

Khan Abdul Ghani Khan. Rs 75 per acre tax is probably in your part of the country

Chaudhri Sri Chand: It is Rs 15 tax per *kacha bigha* Is not tobacco smoking a necessity? This you will tell us whether drinking wine and dancing in hotels are necessities? Rich men use intoxicants of value while the poor use cheaper ones In my opinion, if it is a question of intoxicants you waste more money than the poor They smoke *huka* to beguile the time after hard work They do not smoke cigarettes because they are costly and *huka* is cheaper Poor zamindars and cultivators who grow tobacco are losers because it is costlier than other crops I, therefore, request that the Tobacco tax be abolished I have been making this request on this floor for the last many years Formerly there was no tax on tobacco from the Central Government They imposed it during the war

Government of India have entered into treaties with the States forbidding them from producing salt in lieu of ten to fifteen thousand rupees which the Government of India pay them I request that the States should be allowed to produce salt just like British India especially Bharatpur State, which forbids the production of salt Formerly a large number of its people lived on salt making Now on account of restrictions on this industry its worst result has appeared in its land Because salt is not extracted its land is getting brackish and unproductive If salt is extracted the land will become fertile

One Honourable Member said that the poor will be benefitted if the price of the post card was reduced It is a fact that the poor seldom write post cards They write one post card in six or twelve months It is merely a decoy Only big businessmen write numberless post cards and envelopes A reduction in their price will benefit them During the war people wrote letters to their sons and sent them without using any postage stamp The post card therefore, is not a thing for the reduction of whose price efforts may be made It is also said that the expenditure of the Central Government has greatly increased I feel really surprised to see 20 to 30 thousand clerks morning and evening masquerading on cycles They have no work in their offices except to talk It is impossible that there is so much work which requires so many clerks for its performance The fact is that nepotism is rampant These clerks are related to one or the other officer When the question of retrenchment is raised they say that they could not reduce their staffs The Central Government should set up a Committee to effect retrenchment Only in this way the expenditure of the Government of India could be reduced There is no other way

There are large offices of Exchange Employment But the staff working in them find employment for their own people only I challenge that they have never found employment for any other man nor have they given help to anybody If one goes to see the Director General he is told that he cannot see him as he is busy seeing other people The name is very tall but if one goes to talk to them for ten minutes their whole work is upset They have never secured employment for anybody They are simply employing clerks in these Exchanges If there are 10 clerks today tomorrow they increase to 15 and day after tomorrow to 20 They never find any employment for any other person Similarly, the money spent on 'grow more food' is a waste The farmers know nothing about it They do not know whether the Central Government spends any money for 'grow more food' The money is spent merely for keeping some servants and for payment of T As and yet they say that it is spent for 'grow more food'

The Central Government spends 17 to 20 crores of rupees in order that articles imported from foreign countries may be sold at controlled rates and false propaganda is done that there are no foodgrains in India and they have to be imported from other countries If you go and see in the villages large stocks of foodgrains

are lying there Fair prices are not paid for these grains and grains are imported from foreign countries Sometimes it comes from America and sometimes from Australia and to them the Central Government pay good money. If the cultivators are helped with money they will produce large quantities of foodgrains But the British people are accustomed to import goods from foreign countries and so they are imported Nobody takes the trouble to see and calculate whether there is an actual famine They imposed controls which do not allow the import and export of goods so that nobody may know whether the goods are more or less Control is a bad measure It was adopted during the war but now the officers have got a taste of it and so they do not remove it These officers get their necessities easily They do not suffer as we do They, therefore, say that if the controls were lifted India will go to dogs I assert that if the controls are lifted very soon prices will fall Under control good and bad stuff is sold at the same price Good wheat and also the worm eaten wheat is sold at the same price The article controlled disappears from the market in no time I, therefore say that there is no need of controls and 'grow more food' will help in growing more food if you give money to the cultivators But they will spend 17 crores of rupees for importing rice from foreign countries and will pay nothing to poor cultivators

Mr. G S Bhalja (Government of India Nominated Official) Sir, I will deal first with some of the important points that have been raised during the general discussion on the Budget and then with a few of the important questions in which this House has evinced considerable interest My Honourable friend Mr Griffiths complained that he was not supplied with a copy of the detailed explanatory memorandum on the budget estimates of the Defence Services As the Honourable the Finance Member pointed out in his Budget speech, this was due to the fact that there was a strike in the Government Press It is, however, hoped that copies of the detailed memorandum on the Defence Budget will be in the hands of the Honourable Members before the end of this week My Honourable friend Mr Manu Subedar complained of the slow progress of demobilisation I am told that my Honourable friend Mr Ahmed Jaffer also waxed eloquent on this point and charged the Department with deliberately slowing down the process of demobilisation The facts are that the strength of the Indian army, which had reached its peak of 2,060,000 people on the 1st of September 1945, was reduced to 873,000 by the 31st December 1946, the latter figure including about 80,000 civilian personnel Despite the shipping and other difficulties inherent in the movement of such large numbers of personnel to India from overseas theatres, it will be seen that the army was able to reduce its strength by nearly 1,187,000 men This, I submit, Sir, is not unsatisfactory considering the circumstances of the year Some reduction in the rate of release became inevitable during the latter part of the year owing to the deterioration in the internal situation of the country We had expected that the target figure of demobilisation of 449,000 persons, including British personnel, would be reached by the 1st of April 1947 Unfortunately, that target is not likely to be reached by that date for the following reasons

There has been delay against planned dates in the return to India by overseas commands of units and the personnel due for demobilisation Secondly, it was not possible to issue disbandment orders for certain units pending firm decision of Government as regards the size of the forces to be reached I also emphasised in the beginning that an important factor which contributed to the slowing down of demobilisation was the deterioration in the internal situation in the country I submit that considering all these factors, the figure that is expected to be reached by the 1st October 1947 *viz.* 4 49,000 will not be considered unsatisfactory I would however emphasize that the demobilization target figure of some 4,49,000 men, which it is now expected to be reached by the middle of the year 1947-48, will not represent the size of the future Army of India The question of the size and

[Mr G S Bhalja]

composition of the Armed Forces of India is at present under the active consideration of Government In this connection it would not be out of place if I refer to the basis of planning of the post-war forces The Indian Armed Forces have been built up as a whole for the defence of India as a whole, and so far at least as defence is concerned, planning can only proceed on the basis of an undivided India By reason of her geographical position, natural resources and great potentialities for future development, India occupies a key position in Asia It is clear that in a major war no one power, however great, will be able to stand alone except for a short initial period In present world conditions security can only be guaranteed by the maintenance of sufficient armed forces to encourage friends and deter possible aggressors, thus ensuring from all a healthy and friendly respect The minimum requirement to ensure this is to maintain a highly efficient field army capable of giving a good account of itself if India is attacked, a balanced air force, sufficient air fields to confer accessibility upon the operation of air forces over the vast excess of India, and a sufficient naval force to guard India's long coast line and to protect her sea-borne trade I was glad to learn, Sir, that you in your opening remarks on the Budget, dwelt on the necessity of a strong navy which could guard the long coast line of India The size of the Armed Forces will of course depend upon the role that these forces will be called upon to perform and upon the money which will be made available by the Exchequer If the Government can take a decision on this question in good time, the Defence Department will examine the possibility of reducing the size of the forces below the demobilization target figure as a step towards reduction to the future size determined by the Government

Mr Manu Subedar (Indian Merchants' Chamber and Bureau Indian Commerce) My Honourable friend speaks about the size of the forces **May I** interrupt him for a second to enquire what steps are being taken to bring down the bloated size of the staff in the General Headquarters from the war footing to the peace footing and whether that in itself would not save about two or three crores a month?

Mr. G S Bhalja: I have not got at the moment with me the figures of reduction that has taken place in the General Headquarters and in the other two Head Quarters, but I shall be glad to supply them to my Honourable friend They will indicate to him the considerable reduction that has already taken place in the strength of the officers in the three Armed Forces Headquarters and also the targets to which we are working in all the three services

Mr. P. J. Griffiths: May I submit, Sir, that these figures ought to be supplied not only to one Member but to the House We are entitled to have that information before we discuss this Budget

Mr. G S Bhalja: Yes Sir, In the course of further discussion on the Budget which will be continuing in this House for some time during this month, I will place this information before the House

Mr. Manu Subedar: The Honourable Sir Archibald Rowlands undertook to do that Though defence items were not votable, there was no objection on the part of even the then Government in supplying the fullest details to us, but I am sorry to say that in the figures supplied to us the details of the military figures have not been given, and I would like the Defence Secretary to take this to the Honourable the Defence Member, who is a Civilian and who ought to sit in his place and listen to some of our views, and ask him at any rate to supply us these figures

Mr. G S. Bhalja: Unfortunately owing to the strike of the press, the figures were not available to the Members of the House in good time, but there is no reluctance of any kind to supply them I can give this assurance on

behalf of the Honourable the Defence Member and on behalf of the Defence Department generally that we shall give most readily any information which Honourable Members of this House will ask for

Shri Mohan Lal Saksena (Lucknow Division Non-Muhammadan Rural) May I know if they were supplied to the Defence Consultative Committee?

Mr. G. S. Bhalja: There was no occasion to supply them to the Defence Consultative Committee, because that Committee does not consider the Budget

Mr. Deputy President: As the point has been raised by the Honourable Mr Manu Subedar, I must draw the attention of the House as well as the Honourable the Defence Secretary to the desirability of the Defence Member attending this House on such occasions Many years ago during Budget Session when the discussion was going on in regard to the Defence Department, the Honourable Mr V J Patel, who was then the President, drew the attention of the Government to this question and said that it was the duty of the Defence Member to be present in the House The Commander-in-Chief used to be a Member of the Council of State and he used to come to this House during Budget debate, but later on something had happened on account of which he discontinued coming, but that again was corrected and the Commander-in-Chief did come Now we have a Civilian Member, and I hope in due course and on future occasions he will be present to meet the views expressed by Members in this House

Mr. G S. Bhalja: May I explain, Sir, that the Defence Member happens to be out of Delhi on urgent work

Mr. P. T. Griffiths: Is this House to be told that the duties of any Honourable Member elsewhere are more important than his duties to this House?

Mr. G. S. Bhalja: I am not in a position to discuss the relative urgency or importance of the duties which the Honourable the Defence Member has to perform outside

Mr. Siddiq Ali Khan (Central Provinces and Berar Muhammadan) This is much more important

Mr. G. S. Bhalja: I am quite certain that the Honourable the Defence Member realizes the great importance to be attached to the views of this House, and I can assure the Honourable Members that whatever discussion has taken place in the course of this Budget will be placed before him for his consideration

Mr. P. J. Griffiths: Will the Honourable the Defence Secretary try to secure the presence of the Defence Member at some suitable stage of these discussions later?

Dr. Zia Uddin Ahmad: I rise to a point of order The House is anxious to know what arrangements have been made for the defence of the country

Mr. Deputy President: That is no point of order

Mr. G. S. Bhalja: You, Sir, raised the question of providing facilities for the technical training of the personnel of the Armed Forces, particularly in the Royal Indian Navy This question is in the forefront of the problems before the Government I can assure the House that every step will be taken to provide the necessary technical facilities in India and abroad so that the progress of nationalization could be speeded up as far as possible I shall not weary the House with details of the schemes which we have considered Some of these details were furnished in reply to a question put by Dr Zia Uddin Ahmad on the 4th November last This leads me to the question of nationalising the Armed Forces generally in which Honourable Members of this House have shown considerable interest In order to provide a proper background I shall mention a few relevant facts For reasons which I need not

[Mr G S Bhalja]

go into here the process of nationalisation started last in the Defence Headquarters and in the Defence Department The first Indian to enter the Indian Civil Service was as long ago as the sixties of the last century, while the Kings' Commission was granted to Indians for the first time in 1920 Commissions were granted to Indians for the first time in the Royal Indian Navy in 1928 and in the Royal Indian Air Force in 1932 The first Indian Director in G H Q , could be appointed only in May last year The number of Indian Directors at present is 3 So far as the Defence Department is concerned, an Indian officer of the I C S was posted to that Department for the first time as Under Secretary in 1939 Sir, I mention these facts to show that there are inherent difficulties in nationalisation of senior posts in the Armed Forces all at once Nationalisation progressed in right earnest during the regime of the present Commander-in-Chief who was the War Member until the Interim Government assumed office I may digress a little here to indicate what my conception of a national army is Several Honourable Members have asked me this question and I shall try to answer it My conception of a national army of India is firstly that this army must consist wholly of Indian nationals, secondly it must owe its allegiance to India, thirdly it must regard as its sacred trust the protection of this ancient land against any foreign aggression, fourthly it must inspire the confidence of the people of India of all classes and communities and lastly it must ensure the protection of the liberties, religion and culture of these people including all minorities and communities This also applies to India's navy and air forces

One of the first tasks of the new Government was to set up a Nationalisation Committee under the presidentship of the Honourable Sir N Gopalaswami Ayyangar The terms of reference of this committee are

"In order to nationalise the armed forces of India, *viz*, the Indian navy, the Indian army and the Indian air force and all ancillary services, both officers and men within the shortest possible time, with due regard to Indian national interests and reasonable efficiency, to enquire and report on

(a) the ways and means within the minimum possible period, of replacement of non Indian personnel by Indians in each branch or service,

(b) the target date or dates of complete nationalisation for all or each category in different services, if possible,

(c) the ways and means of retaining if necessary non-Indian personnel as advisers or experts in nationalised categories,

(d) the enumeration of those departments, categories or personnel where non Indian personnel can be replaced by Indians immediately"

This committee has been instructed to submit its report by June of this year It has entered upon its duties with considerable zeal and promptitude I need hardly say that Government attaches the greatest importance to the recommendations of this committee and will do their best to give effect to them

At this stage, I shall make a brief reference to other important committees appointed by the Defence Department The National War Academy Committee, which was entrusted with the task of preparing a scheme for the establishment of a Military Academy on the lines of the United States Military Academy at West Point for the education and basic training together of future officers of the Royal Indian Navy, the Indian Army and the Royal Indian Air Force, its location and size, the strength of its establishment, etc , has submitted its report which is now under the consideration of Government

Another important committee is the National Cadet Corps Committee whose main term of reference is :

"Having regard to the existing organisation of the University Officers Training Corps to consider and make recommendations for the establishment on a nationwide basis of a Cadet Corps organisation comprising both of schools and universities" During the last war considerable difficulty was

experienced in finding a sufficient number of suitably qualified Indian officers for the armed forces Although a large number of applications came forward the greater proportion were wanting in the basic qualities required of officers to lead men in war This pointed to some defect in the present system of education It is hoped that the establishment of a National Cadet Corps throughout India will go a long way towards mitigating this difficulty in future Both these committees owed their inception to the present Commander-in-Chief as War Member of the Government of India The Government trust that the implementation of the recommendations of these committees will well and truly lay the foundations for the National Armed Forces of India Government have also recently established the Armed Forces Medical and Research Integration Committee under the chairmanship of that eminent physician, Dr B C Roy, lately President of the Indian Medical Council Their main term of reference is to advise Government on the desirability and feasibility of establishing a joint medical service for the three fighting services and integrating the medical research in the three services

In passing I should make a brief reference to another important report regarding the reorganisation of the Defence Department on the lines of the War Office It is perhaps not realised in this House that the Defence Department is at present not fully equipped to perform all the functions of an administrative department in respect of the vast and complex organisation of the armed forces of India An officer of His Majesty's British Civil Service, Mr G. H Shreeve was placed on special duty in this connection to advise the Government as regards the organisation of the Defence Department on the lines of a Service Department of State in the United Kingdom with such modifications as are necessary to meet the conditions in India

This report opens with this sentence

'A new organisation is necessary on the introduction of responsible government with a minister for Defence, to include the duties now assigned to the (then) War Department, General Headquarters, the Military Finance Department and the Military Accounts Department

I do not propose to go into the recommendations of this officer, but suffice it to say that it has not been possible to consider the implementation of his recommendations mainly on account of the difficult officer position To indicate the nature of the problem I shall only mention that if Mr Shreeve's recommendations are to be given effect to the Defence Department would require no less than 18 Deputy Secretaries as against three that we have got at the moment

Sir, one final point and I have done The House has shown intense interest in the activities of the Defence Department and the armed forces Government welcome this interest, and on my part I undertake to give full information on all questions that are raised Government will always welcome constructive criticism from Honourable Members of this House May I, however, make a respectful appeal to Honourable Members to see that this interest does not take the form of advocacy of the cause of individuals nor result in bickerings over communal matters? Sir, the year 1946 was an eventful year in many respects, not the least important of which were the widespread civil disturbances that broke out on an unprecedented scale throughout the country The country saw perhaps the greatest use of the armed forces personnel in aid of civil power, and on numerous occasions troops were called upon to perform the unpleasant duty of intervening in civil disturbances Let it be remembered that a soldier intensely dislikes being called upon to intervene in civil commotion and internal strife When he is, however, called out he obeys the call and does his job with firmness and impartiality The House will be glad to know that from all quarters we have heard nothing but praise and admiration for the conduct of the troops called upon to restore peace and order in communal disturbances In this matter the

[Mr G S Bhalja]

Indian Army has set an example to the rest of India An impartial and neutral army is the greatest need of India at the present moment Let nothing be said in this House which will adversely affect the fine traditions of the Indian Army,—traditions of unity, of fellowship and brotherhood among men, let nothing be said that will adversely affect its integrity, loyalty and reliability

Shri Sri Prakasa: Sir, ever since the solemn and sacred hour of Five of the Clock on Friday afternoon I seem to have been living in Alice's Wonderland I have not only found persons rolling in wealth, who have never known either hunger or cold, suddenly become the greatest champions of the poor, but I found the climax reached when my Honourable friend from the Frontier declared most solemnly that ducks can lay eggs and that the geese and the hens were no longer needed for the purpose I have found my Honourable friend from the south congratulating the Finance Member on fine conceptions We have always known that conceptions may be pleasant—they are pleasant—but the painful part of the process is the delivery, and when that process is entrusted to others conceptions cannot have much value

The Honourable Finance Member has been congratulated from various sections of the House from various angles I congratulate him on having kept up the best traditions of the feudal lords of my province, to which class he himself belongs, who first make the budget of their expenditure and then try to find out ways and means as to how that expenditure is to be met And I should like, if I may, with all respect to warn him that if that is the process with which he is going to manage the finances of this country he will go the same way as many feudal lords of my province have gone before I am not so worried about the fate of these feudal lords for they had their lives in their own hands and they could go to the gutter or to hell exactly as they liked But I do not want my feudal lord now from his place in this House, to let the country down and to take her to a place from which there may be no redemption

Sir, I am a very humble man, the Honourable Finance Member's lands are at least ten times larger in size than mine The only difference between him and me is that I prefer to keep in touch with that land and the people that live on it I have not transferred my activities entirely either to Lucknow or later to Delhi

Sir, the Honourable Finance Member has been rightly indignant at the display of wealth and splendour on the part of a few I wish he had been speaking from a place other than Delhi, for I have been greatly struck by the wealth and splendour of Delhi If I had not become a Member of this House and had not lived in this place from time to time during the last twelve years, I should never have imagined from my small house in Benares and the environs of that old city, that such splendour, such magnificence, such waste could possibly exist in our land anywhere Sir, my Honourable friend has presented to us a budget of expenditure and has then been at pains to find out how he is to meet that expenditure

I should like to deal with the main item of the budget, and that is the expenditure on the Army We have had the unique advantage of a homily from the Defence Secretary and he has expressed some very fine sentiments about the country not being able to stand alone in this world and that it should be in a position to attract the affection and the respect of other countries and the manner in which that affection and that respect are to be drawn are, according to him, by the show of steel helmets I have never known any lover approaching his beloved with such panoply and accoutrements of war, as my Honourable friend, the Defence Secretary wants to approach the world We are very thankful to him for the lecture that he has given. No doubt the lecture was given in order to induce us to grant voluntarily and with the greatest show of gratitude, over 50 per cent. of our revenue in order that in

the splendour of his military uniform, he may go out into the world seeking for the affection of other countries It almost seemed to me like a curtain lecture where a lady may be trying to induce the unhappy man who wants to sleep to part with more than half his fortune in order that she may have enough saris and ornaments to be able to change about a hundred times a day, and instead of bringing happiness to the home attract other people's attention, bringing further discomfort and disturbance in the household

Sir, we have declared times without number that this war was not a war of our seeking, that we have had nothing to do with this war, and it is a matter of utter shame that when a Government is in power which is a National Government, completely manned by our nationals, they should carry on the tradition of the bureaucratic Government that is dead and try to meet all the liabilities that that Government has left behind Why cannot this Government, this Finance Member, this Defence Member who is absent from the place where he should be sitting this afternoon, why cannot they tell His Majesty's Government that now that we have come into power we do not intend to meet all these liabilities that they had created for their behalf and against us That Government did not only fight other peoples, they fought us also and many of us bear the scars of that fight on our backs to this day Now we are asked to foot an immense bill of Rs 188 crores in order to fulfil the obligations of that Government I think the whole thing should be repudiated

My Honourable friend, the Defence Secretary, has said that some of these soldiers came to the help of the civil power in order to quell disturbances of a communal nature That only shows that an army like that should not exist It has no business to interefere in civil matters He said the soldier did not like to do such things and when I asked him what did the soldier like, he was mum, because we all know what the soldier likes

Mr. G. S. Bhalja: If I may tell the Honourable Member I did not take his remark very seriously If necessary, I could have given an idea of the duties of the soldier, but then I would be going far beyond. .

The Honourable Mr. Liaquat Ali Khan: Why do you take them seriously now?

Shri Sri Prakasa: The Honourable Member may not take me seriously today He will have to take me seriously some other day

My Honourable and respected friend, Dr Zia Uddin, referred to the Congress of 1888—he was wrong in the date when he stated it was 1890—at Allahabad, and he said that the two problems before that Congress then were the problem of simultaneous examination for the Civil Service and the salt tax There was a third problem and that has been before the Congress and before the country and before every considerable political party in the land, through the decades, and that is the extraordinary heavy expenditure on so-called defence We could have a better police force The coming of the army and the soldiers in civil commotion only means that we have not an effective police force What is needed is that we should have an effective police force It is not necessary to have such a huge army

As I have already said, I am an ordinary humble householder and I have also to go through the processes of making my budget from time to time I should be astounded if I were asked to spend more than half my income on the defence of my house This Government is solely concerned with its 227 crores. It is concerned with nothing else and for the defence of these 227 crores it wants to spend Rs. 188 crores This is monstrous, to say the least; and I say this also, that as long as there is an army in the country, there is going to be a war. If I have this little pencil in my hand and I have nothing better to do, I go on scribbling. If I have a sword in my hand, and

[Shri Sri Prakasa]

I have nothing better to do, I will go on using it at the expense of my neighbours And so as long as there is a race for armaments, so long there will be wars, and as soon as this race stops, all wars will stop

I say let India take the lead in the matter India has nothing to fear. India is in no danger of being attacked by anyone. They will give you the history of India and say how so and so came through the Khyber Pass and so and so from the sea-shore. Those were old days, and if anyone would come now there are other ways of meeting them We could have a conscript army. We could compel every adult person to have military training. We have thousands of ways of making ourselves an effective people ready to meet all contingencies instead of having a mercenary army and paying it so well I should like to get full details of how all this money is spent I have reason to believe, and let the Honourable the Finance Member mark my words, that a grant of Rs 188 crores came as a surprise to the Defence Department itself. They were not prepared that the Honourable Member would so readily agree to all that they asked for They were quite prepared at least for a 10 per cent. cut and so pitched their demands high, and they are glad they have got all that they wanted—and much more than they really needed The Honourable Member was waxing eloquent—and I congratulate him on his eloquence—on what should be done in order to bring relief to the poor and the downtrodden and the humble I would like the Honourable Member to tell me what parts of the budget tell us of the efforts the Honourable Member is going to make, by the levy of all this extra taxation, in order to bring relief to the poor, to give them better houses, better food, better clothing, better education, better health I find not one word in the whole of his magnificient oration giving any concrete proposals for the amelioration of the lot of the poor If he had done that I should have been more than satisfied. I therefore think that this Budget and the proposals in that behalf, should meet no better fate than was meted out by the House to the budget proposals in the recent past

The Honourable Mr. Liaquat Ali Khan: I am indeed grateful to those of my Honourable friends who have been good enough to say nice things about me. I am not perturbed in the least at the criticism that has been levelled against the Budget which I have had the honour to present before this House on the 28th of last month As a matter of fact, Mr Deputy President, I would have been surprised if there had been no criticism I was expecting it because I am not unaware of the great power for propaganda which big money wields The discussion has shown that a number of my Honourable friends have not really studied the proposals which I have placed before this Honourable House They have been influenced by the opinions that have been expressed and the views that have been given in a section of the Press and it is natural that very few of us have either the time or the inclination to study the problems carefully which affect the destiny of this country. We like to talk not of what we think but of what others think for us

Before I come to the main criticism of the proposals there are certain points about the Budget with which I would like to deal, because they are not of very great importance, in the sense that I can dispose of them in a few minutes

My Honourable friend Mr Subedar, apart from his criticism of the taxation proposals with which I shall deal later, referred to the question of compensation for the Bombay explosion As I have said already, in reply to one of the questions I think, the Government of India have been pressing on His Majesty's Government that the responsibility for the damage done is on them and not on the Government of India. His Majesty's Government have not accepted the responsibility for the damage. We are not satisfied with their

reply and we are going on pressing on them that they must pay for the damage that was done on account of the Bombay explosion

The next point to which reference was made was with regard to the Estate Duty Bill I think on this matter also I have informed the House on a previous occasion that the opinions on the Bill have been received The opinions are being examined and as soon as the Government is in a position to bring this measure before the House it will be done

The third point was, as a matter of fact a number of members referred to it, that relief should be given—I think Mr Tamizuddin Khan, was the first to raise this point—in respect of excise on tobacco and betel-nuts I wish it were possible for me to give that relief but the position of our finances is such that I could not persuade myself, much as I desired, to give greater relief in the form of the removal of certain taxes to the poor than what we have been able to do

Then, Sir, there is another point which has been raised by a number of members and it is with regard to raising the exemption limit from Rs 2,500 to Rs 3,000, Rs 3,500 or even Rs ,000 as some said Now, that again is a matter to which I have given very careful consideration and I thought that it would not be very prudent to raise the limit from Rs 2,500 to any other higher figure

Then, Sir, a number of Honourable Members have said that we have made no provision in the Budget which would improve the educational, social, cultural and economic life of the peoples of this country I am sorry to say, Mr Deputy President, that the Honourable Members who have raised this objection have not taken the trouble of reading carefully my speech or the memorandum that has been circulated They will find that there is a provision for 60 crores of rupees—45 crores for development in the provinces and 15 crores for development in the Centrally administered areas and with regard to certain Central institutions for purposes for which a complaint has been made that we have made no provision in the Budget I wonder if those of my friends who raised this objection really studied the figures that have been given. It cannot be said that 60 crores of rupees for development purposes, apart from other measures of relief, is a negligible amount

Then, Sir, a great deal has been said about the high expenditure that is being incurred by the Central Government either in connection with the Defence Department or in connection with Civil Departments I am at one with them here as I am myself, not satisfied that the expenditure which we are incurring is either necessary or urgent, and it is due to that fact that I have proposed the appointment of an Economy Committee Surely, my Honourable friend Mr Sri Prakasa does not expect me to use the feudal method of beheading every servant of the Government to save expenditure I hope, as I stated in my speech, that this Committee, which will consist of officials and non-officials including Members of this Honourable House, will go thoroughly into this question of reducing our expenditure and keeping only such expenditure as is necessary for our requirements

Pandit Lakshmi Kanta Maitra (Calcutta: Non-Muhammadan Urban) Does it also include the Defence Department?

The Honourable Mr. Liaquat Ali Khan: It includes all the Departments I can assure Honourable Members that as far as I am concerned, I will do my best to assist them in the task of finding out and making recommendations to the Government. I can assure my Honourable friends here that there is not a single Member of the Government who delights in extravagant expenditure in any Department and, therefore, it is not quite right to say that the present Government is unmindful of all those facts which have been stated by some of my Honourable friends on the floor of the House

[Mr Liaquat Ali Khan]

Then, Sir, Mr Karmarkar referred to certain figures as to why the income from Corporation tax was less.

Shri D. P. Karmarkar: If I might interrupt the Honourable Member, I stand corrected on that point

The Honourable Mr. Liaquat Ali Khan: Thank you

Now, Sir, Mr Jaffer referred to inflation and said that I did not say anything definitely or more categorically than what is contained in my speech with regard to this question of inflation I feel very strongly about it and my budget proposals are intended to meet this difficulty also Therefore, it cannot be said that I did not have in mind the inflationary tendencies that are in the country today when I was framing my budget proposals Mr Jaffer referred to some other matters also, but I do not think it is necessary for me to deal with them in this delate He referred to nickel coins and other matters and when the time comes, we shall deal with them As a matter of fact, I hope my Honourable friends will forgive me if it is not possible for me to deal with every point that has been raised by every Member of this House So far 80 Members have taken part in the debate and I do not think that any one would expect me to deal with every one of the points that have been raised by each and every Member

Now, Sir, I come to the main points of my budget My Honourable friend Mr Griffiths, for whose eloquence I always have great admiration, though it may not be for his logic, has on this occasion, as in the past, proved to be a champion of lost causes As a matter of fact, I have noticed that whenever my Honourable friend Mr Griffiths is speaking in support of a cause which is already lost, he is most vehement, and on this occasion I noticed that he was more vehement than he has ever been during the time that I have been in this House But I am surprised at the support which he has received in this opposition from certain of my Honourable friends in this House I cannot help thinking that it is due to our past habit We have been in the habit of opposing all our life and when we find somebody, who is leader of the Opposition, we automatically follow him

Now, Sir, let us really examine these taxation proposals because I have noticed that there has been quite a lot of confusion about these three taxation proposals I am leaving for the moment the question of export duty on tea because if I have correctly followed the debate, except for Mr Griffiths, I do not think there is any other Honourable Member of this House who has raised his protest against this measure Sir there has been one fear which has been expressed by a number of speakers who have taken part in the debate The fear is that my taxation proposals will reduce—some have said will completely stop—production Therefore, they feel that I am really taking some action which is very drastic—and which would ultimately not be to the advantage of the economy of this country Let me take each proposal on its merits

My first proposal is to have a tax of 25 per cent over amounts of profit which are more than one lakh I do not know whether Honourable Members have really taken the trouble to see that this tax is only for the current year and therefore those who talk of there being no production in the next year because of this tax are quite mistaken Whatever production there had to be has already taken place with regard to the current year, and therefore my tax is not going to affect the production in the next year As a matter of fact, I think most of the Honourable Members of this House will agree that last year when the Excess Profits Tax was removed, we felt that it was too early and that it should not have been removed so soon Since I have taken over, I have examined the position very carefully and I was convinced that there was no justification for removing the Excess Profits Tax. So I had this alternative before me—whether I should reimpose the Excess Profits Tax for this

year or I should devise some other tax which would be more equitable and fairer to all business and would not weigh heavily against smaller business and more profitably in favour of bigger business—and after very careful consideration I came to the conclusion that this tax was fairer and easier to collect, which I think is a very important matter where the question of tax is concerned, than the E P T Therefore it is wrong to imagine that this tax which has been proposed will affect production adversely.

There has been another objection raised that it will prevent new industries coming into existence I am afraid, Mr Deputy President, I do not quite follow that argument because when the new industries come into existence this tax will not be there So how is it going to prevent new industries from coming into existence? I can assure my Honourable friends here that it is my earnest desire that the production in this country should increase and not decrease, and if any one can prove to me that by the imposition of this tax I will really be affecting the interest of the country adversely I shall be only too glad to withdraw this tax But I am not going to withdraw this tax because it is going to take a bit out of the big profits that some people have made

Now, Sir, let me take the other tax, and that is the capital gains tax. There I think some of my friends made this suggestion—I want to deal with that before I deal with the merits of this tax—that the limit of Rs 5,000 was rather low Now, Sir, it is not my desire that a small man who may have made some profit by means, of certain ordinary transactions should suffer and should not be able to enjoy that little profit which he may have made out of his capital I am quite willing when the Bill goes to the Select Committee to reconsider that As a matter of fact, Mr Deputy President, I have of my own accord by putting down a motion for reference of these Bills to a Select Committee given proof of my *bona fide*, that I am not out to force anything down the throats of the Honourable Members of this House or the country, but that I want the Honourable Members to assist me in devising ways and means to meet our needs and requirements And therefore Sir, I was saying that when the Bill is being considered by the Select Committee I shall be willing to consider the question of raising the limit from Rs 5,000 to any other figure

With regard to this tax, I have always felt—why should a person, if he has made any unearned income, not give a share out of that to the State. The value of property has become bigger not on account of the efforts of any particular individual, but, if I may say so, on account of the suffering that the people of this country have undergone, and therefore the State is entitled to get a little share out of that extra profit which one may make on such properties It is not intended nor do I want to strangle any particular class or any particular interest But I feel that with regard to such profits the State is entitled to have a share out of them, and if some of the Honourable Members feel that the State should get some profit out of the death of a person, I do not see why I cannot get something out of living people Therefore, Sir, this is a tax that is not going to hurt industry in any way

I was told—not in this House but by some of the gentlemen who came to see me—'if you reduce my income then I shall not be able to invest', and the objection was really with regard to higher income-tax Now, I am coming to the unearned income to Rs 1 2 lakhs, and from Rs 5 lakhs for earned income to Rs 1 5 lakhs It was suggested to me very seriously that by lowering the limit I was really hurting industry I was really stopping people from investing in industrial developments Now Sir, barring a few magnates I think most of the money that is invested is invested by the middle classes in shares, and I have taken good care to see that there is no raising of tax on the middle classes. As a matter of fact, let me tell you, Mr Deputy President, that our incidence of taxation in lower limits is much lower than anywhere

[Mr Liaquat Ali Khan]

in the world, and therefore I have tried to put this tax in a way that it would not affect the industrial development of the country in any manner whatsoever It has been suggested that by bringing down this limit I will stop investment in industry Now, Sir, all the money that I hope to get from this source is Rs 2½ crores and when I give certain figures to the Honourable Members of this House they will be surprised that most of the investment in these industries does not come out of these people It is the money of the middle classes that is used by people who have got brains and who have got experience, and therefore I am really not putting any hinderance in the way of flow of capital into these concerns or into industry As I said, Mr. Deputy President, from the source I only hope to get Rs 2½ crores Now let me give the House certain figures We received during this current year from 1st of April 1946 to 3rd of March 1947 applications for capital issues to the extent of Rs 280 crores and 6 lakhs The sanctioned amount was Rs 219 crores 56 lakhs Now, Sir, can anybody seriously tell me that if I get this extra 2½ crores, it is going to stop the flow of capital into industry It will certainly reduce some of the balances which some of the rich people may have had in the past But it certainly is not going to affect industry in the least Therefore, what I say is this This is a cry that is being raised and that has been raised since I presented my budget because that, I know, is the only way in which people interested in this matter could mislead the honest people whose desire is that the country should develop economically and at the same time the money should come out of those who can afford to pay it This was really the only way in which they could try and prejudice the mind of the people at large I am sorry to say that the manner in which the propaganda is being carried out is not the way in which these interests can influence me I am neither going to be coerced nor blackmailed into accepting a position which I do not feel is justified in the interest of the country As I have stated before, I am willing to be convinced, if it can be proved that the taxation proposals which I have placed before the House will ruin the industrial development of India I am not so unreasonable that if I see the ruination of the country staring me in the face, I will say, I must go on with my proposals because I have brought them before the House

Sir, there is another matter to which I wish to draw the attention of the House I was shocked as I think every right thinking man and every one who has the interest of the country at heart would be shocked to read that the stock exchanges have closed as a protest against these taxation proposals Let us examine what are stock exchanges How does it really affect them? Why have these people who have control of the stock exchanges taken this particular step to lodge their protest and create a kind of panic in the country by their action As I have said before, I shall neither be impressed nor be bullied into any action by such tactics Who are these people? The stock exchange is a market where a person can exchange his shares and securities for cash or *vice versa* Now in such a market there is no more justification for a strike against taxation of industrial profits than there is for a strike against lowering of the rate of interest on government securities or than there is, for example for a strike by sugar or salt dealers against an increase in the rate of taxes on salt or sugar The budget proposals as I have stated affect, if they do, the profits of industries How do they affect those people who are in charge of stock exchanges? A tax on capital does not affect the operators or brokers since they do not pay this tax It is only the private individual who has any share or stock who will have to pay the tax in future. But these brokers and dealers who deal in these shares and stocks are already subject to income-tax So it does not affect them in any way. Then, Sir, there are the higher rates of personal or super-tax. These are taxes as a protest against which these stock exchanges have been closed High rates of personal and

supertax affect all persons with large incomes and the controlling authorities of stock exchanges have in fact no justification for using this weapon to ventilate their grievances Because it might affect certain individuals, therefore, they are going to adopt this course One cannot but draw the inevitable conclusion that all these people who are in charge of stock exchanges are those very people against the stranglehold of whom I warned Honourable Members of this House It is these very people who really want to keep the whole economic life of this country in their few hands. I am sure there is not a single Honourable Member of this House who would lend any support to such a class of people Now, Sir, I do appeal most earnestly to our big industrialists in this country that it is time when it is their duty as Indians to assist the Government We are faced with a large deficit We have a large deficit in the current year and we have a large deficit in the next year also My Honourable friend Mr Griffiths says why do you bother about deficits This is nothing May be My Honourable friend Shri Sri Prakasa is right If I had been still living in U P on my land, I probably would not have minded these deficits. But having come to Delhi and being responsible for the finances and economic stability of this country it is my duty to see that we do not have large deficits in our budget

Shri Sri Prakasa: Cut down defence expenditure

The Honourable Mr. Liaquat Ali Khan: My Honourable friend has asked about defence expenditure I think in my speech I gave some reasons as to why the defence expenditure is higher than it should have been I myself am disappointed that we have not been able due to certain causes to carry out the programme of demobilisation If it will give some consolation to my Honourable friend Shri Sri Prakasa, I myself am not very happy that our defence expenditure is so high

Shri Sri Prakasa: Cut off their heads

The Honourable Mr. Liaquat Ali Khan: I wish I could

Sir, I was making an appeal to our industrialists I wish to assure them that it is neither my intention nor the intention or desire of Government to prevent or hinder industrialisation of this country in any way We are faced with a difficulty; I appeal to them to give up a little of the profits which they made, in the current year Unfortunately apart from so many other calamities that the last war brought it also brought the calamity of people having got used to big profits If they would forget for a moment the huge profits which were made during the war period, I am sure that they would be able to give such money through this tax as I propose and desire without seriously feeling the pinch of it.

And now, Sir there is just one thing that I wish to say We all have our own ideas about the country and its economic life, about rights of private property, capitalism *zamindari* and so on The world is changing and India is changing more rapidly than the rest of the world. Therefore every one of us has got to adjust himself to the new circumstances in which we are living. And so, Sir, we must once for all make up our minds that in the changing India we cannot hope to get those profits that were made in the past. Every one has got to make a sacrifice—if you can call it a sacrifice—for the general good of the masses of this country

Shri Sri Prakasa: For the soldiers of this country!

The Honourable Mr. Liaquat Ali Khan: My Honourable friend has got soldiers on his brain!

Shri Sri Prakasa: They will bomb the frontier; and you will be absent from your seat at the voting time!

The Honourable Mr. Liaquat Ali Khan: That is an every-day occurrence and the frontier does not mind that.

[Mr Liaquat Ali Khan]

I once again appeal from my place here to all those gentlemen who feel the pinch of these taxes to reconsider their attitude towards these proposals They are not helping themselves and they are certainly not helping the country by creating a kind of panic in the minds of the people My taxation proposals, I again assert, are not going to either cripple or ruin the industry of this country My taxation proposals are in no way going to stop production altogether or reduce it in any way Therefore I once again tell my industrial friends to help us in this matter If they do not, it will be unfortunate, we do not wish in any way to stifle private enterprise, and we want all the assistance, all the technical knowledge and all the experience of private persons to help in the industrialisation of this country

An Honourable Member. Country or sub continent?

The Honourable Mr. Liaquat Ali Khan: To my mind there is no difference except a difference in size

Sir, I was saying that if they do not help us India will still be industrialised If Russia could industrialise in a short period why not India? We do not want to stifle private enterprise, but if private enterprise is not willing to take up a helpful attitude and assist us in the economic improvement of this country there are other methods by which we will have to do it

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 5th March, 1947

LEGISLATIVE ASSEMBLY

Wednesday, 5th March, 1947

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr President (The Honourable Mr G V Mavalankar) in the Chair

MEMBERS SWORN

Sir John Francis Sheehy, C S I, M L A (Government of India Nominated Official), and

Mr Charles William Ayers, C I E, C B E, M L A (Government of India Nominated Official)

STARRED QUESTIONS AND ANSWERS†

WRITTEN ANSWERS

UNHYGIENIC DELHI MUNICIPAL SCHOOLS

732. *Mr. Ahmed E. H. Jaffer: (a) Will the Honourable Member for Education please state if he has received a representation in regard to the highly unhygienic state of Delhi Municipal Schools?

(b) Do Government propose to take necessary action in the matter and call for a report in regard to the health of the School children?

The Honourable Maulana Abul Kalam Azad. (a) No

(b) A report from the local administration has been called for and will be placed on the table of the House when received

RESTRICTIONS ON CARRYING OF KIRPANS BY SIKHS

733. *Mr. Ahmed E. H. Jaffer: (a) Will the Honourable the Home Member please state if an order has recently been promulgated restricting the carrying of kirpans by members of the Sikh Community?

(b) Have Government received any representation from Sikhs in connection with these restrictions?

The Honourable Sardar Vallabhbhai Patel: (a) No such specific order has been promulgated

(b) Does not arise

KATNI BUSINESS OUTSIDE STOCK EXCHANGE HALL, CALCUTTA

734 *Pandit Sri Krishna Dutt Paliwal: Will the Honourable the Finance Member please state

(a) whether Government propose to put a stop to Katni business in Calcutta,

(b) whether it is a fact that outside the Stock Exchange Hall in Calcutta a great many people assemble and deal in the shares of Indian Iron and Steel Company Limited,

(c) whether it is further a fact that in this business there is neither actual delivery nor keeping of regular accounts,

(d) whether Government are aware that their system of business is to finish the transaction daily on the prices at the time of closing, inside the Calcutta Stock Exchange Association and that the difference is received and paid absolutely in cash and that just after the closing time the transaction for the next day begins; and

†Answers to these questions laid on the table, the question hour having been dispensed with.

(e) whether Government are aware that people deal in this Katni business to escape Government taxes?

The Honourable Mr. Liaquat Ali Khan: (a) This is a matter at present for the Government of Bengal but I would invite a reference to para 45 of my Budget speech

(b) Government have seen accounts of the existence of a 'Katni'' Market in Calcutta where speculative business was being carried on in some of the leading speculative shares

(c) and (d) According to Government's information business is done on verbal contracts which are adjusted by cash payment on the basis of the closing prices in the local Stock Exchange

(e) Government are aware that profits made on the Katni Market escape taxation but it is a matter of opinion whether people resort to this business for evading tax or for satisfying their gambling instinct

INDIAN ASSISTANT CONTROLLER OF SALVAGE AT GENERAL HEADQUARTERS

735. *Pandit Sri Krishna Dutt Paliwal: Will the Secretary of the Defence Department please refer to the reply to parts (c) and (d) of unstarred question No. 75 of 13th November, 1946, regarding duties of Assistant Controller of Salvage and state if it is a fact that there is one Indian Assistant Controller of Salvage at General Headquarters? If so, what is his name and rank? If not, the steps Government propose to take to appoint Indians as Assistant Controller of Salvage?

Mr G. S. Bhalja At present there is no Indian Assistant Controller of Salvage at General Headquarters The question of releasing from active Military duty Indian Officers possessing the requisite qualifications to take up this work is under consideration

PRE-HISTORIC ARCHAEOLOGICAL FINDS IN NARBADA VALLY IN GUJERAT (C I)

736. *Seth Govind Das. (a) Will the Honourable Member for Education be pleased to state if Government are in possession of information relating to the discovery of pre historic archaeological finds believed to be of far greater antiquity than those of Mohenjodaro and Harappa, in the Narbada Valley in Gujerat and Central India?

(b) If so, will Government lay on the table of the House a statement giving the main details and description of the discovery?

The Honourable Maulana Abul Kalam Azad: (a) and (b) The Director General of Archaeology in India has been in active correspondence with the State Archaeologist, Rajpipla State, in regard to the discovery of prehistoric archaeological finds reported by him in the Narbada Valley No satisfactory evidence has been produced in substantiation of the claims for an exceptional antiquity for the finds in question The Director General of Archaeology in India who intends to visit the sites as early as possible will make a report to Government in due course A copy of his report will be laid on the table of the House

CRISIS AND FAILURE OF BANKS IN BENGAL

737. *Seth Govind Das: Will the Honourable the Finance Member be pleased to state

(a) whether Government are aware of the recent crisis in Bengal Banks;

(b) If so, the causes that led to the crisis and the effects thereof;

(c) the number of banks in Bengal that failed during 1935-45,

(d) the steps that Government are taking to alleviate the sufferings of the small banks?

The Honourable Mr. Liaquat Ali Khan. (a) Yes, Sir

(b) As regards the causes, the unsound practices followed by certain non-scheduled banks in Bengal, such as the indiscriminate opening of a large number of branches without sufficient capital, granting of loans without adequate security mostly against speculative shares, lack of proper personnel and the tendency of some of the smaller banks to invest in shares of companies connected with the management had already undermined their financial position When, therefore, as a result of a combination of political and economic factors and labour troubles, a slump occurred on the Calcutta Stock Exchange, banks which had, in spite of a timely warning issued by the Reserve Bank in May 1946, made large advances against Shares or heavily invested in them, found themselves in a difficult situation which was further aggravated by the heavy withdrawals to which they were subjected in the panic that prevailed As for the effects of the crisis, a few banks had to suspend payment and the information available to Government shows that five banks have obtained moratorium from the Calcutta High Court under Section 277 N of the Indian Companies Act, two have gone into liquidation, three have applied for liquidation, two for arrangement with creditors and one for amalgamation

(c) The total number of banks that failed in Bengal during 1935-45 is 115

(d) During the crisis the Reserve Bank closely watched the situation and took such measures as were possible to restore confidence and to assist the banks As already stated however the troubles of some of the smaller banks in Bengal are due primarily to their own unsound and unsatisfactory methods of operation and will cease only if the banks themselves decide to remedy these defects The Banking Companies Bill which is before the Legislature is designed to check some of these undesirable practices and protect the public, and certain further provisions added to the Bill by the Select Committee will enable the Reserve Bank to maintain a closer contact with these banks and to assist well managed banks in an emergency or in the event of a general banking crisis

NEW ITEM *re* ANNUAL ALLOTMENT OF SILVER TO CEYLON

738 ***Seth Govind Das**: (a) Will the Honourable the Finance Member be pleased to state whether Government are aware of the Associated Press of India news item that India has allotted to Ceylon 120 thousand tolas of silver annually?

(b) What are the conditions which necessitated and led to this transaction?

The Honourable Mr Liaquat Ali Khan: (a) Yes, Sir

(b) Ceylon has been mainly dependent on India for imports of silver and in response to a request from the Ceylon Government a quarterly quota of 30,000 tolas of silver for export to Ceylon was fixed in 1944 on the basis of exports in 1940-42 to meet the requirements of established silver-smiths and jewellers in that country

INDIAN OCCUPATION FORCES IN JAPAN

739. ***Seth Govind Das**: (a) Will the Secretary of the Defence Department be pleased to state the strength of the Indian Occupation Forces in Japan?

(b) Till what time do Government propose to keep these forces in Japan?

(c) Was the decision to send occupation forces to Japan arrived at at the instance of His Majesty's Government or the Government of India independently?

Mr. G. S. Bhalja: (a) The strength of the Indian Occupation Force in Japan on the 1st January 1947 was approximately 10,640

(b) The Government of India have decided to withdraw the Indian Occupation Force from Japan as soon as can be arranged in consultation with H M G. in the United Kingdom and other Commonwealth Governments concerned

(c) The Government of India were asked whether they would like to include an Indian contingent in the Allied Occupation Force, and they replied they would

PREACHING OF IDEALS OF UNITY AND COMMUNAL HARMONY THROUGH RADIO

740. *Pandit Sri Krishna Dutt Paliwal: Will the Honourable Member for Information and Broadcasting please state the steps Government have taken or propose to take for the preaching of the ideals of unity and communal harmony through the radio, films and educational institutions?

The Honourable Sardar Vallabhbhai Patel Government have not taken any specific steps in this direction

RESEARCH AND TRAINING IN INDIGENOUS SYSTEM OF MEDICINE

741 *Pandit Sri Krishna Dutt Paliwal. Will the Secretary of the Health Department please state

(a) the date, if any, by which the Committee appointed to consider and recommend steps that should be taken to improve the facilities for research and training in indigenous system of medicine and generally to increase their usefulness to the public should submit their report, and

(b) whether the Committee has begun to work, if so, since when?

Mr S. H. Y Oulsnam: (a) No date has been fixed

(b) The Committee has not yet met but the Chairman has prepared a draft questionnaire for circulation to the members and discussion at a meeting to be held in March

SCALES OF PAY OF TEMPORARY CLERKS FOR NAVAL, AIR AND GENERAL HEADQUARTERS

742. *Pandit Sri Krishna Dutt Paliwal Will the Secretary of the Defence Department please state

(a) if it is a fact that temporary clerks for Naval, Air and General Head quarters recruited by the Chief Administrative Officer, War Department (now Defence Department) after they had undergone a few week's priliminary training and passed the prescribed examination were placed in categories either "A" or "B",

(b) if so, what were the scales of pay for each of these grades,

(c) the number of those "B' grade clerks in January 1945 in all the three Headquarters, who passed the promotion test, and thus qualified themselves for Upper Division,

(d) the reasons for recruiting clerks on unified scale of pay (100-10-200) through Federal Public Service Commission in 1945 in preference to those existing qualified hands in the above mentioned three Headquarters, and

(e) the steps Government propose to take to give relief to those who have suffered in consequence of the preference referred to above?

Mr. G S Bhalja: (a) This was the war time practice but is no longer followed

(b) The graded scales for either category were

Rs 60—5—100—4—132—8—144 for those who joined service before 1st September 1944

Rs 60—5—100(EB)—10—120 for those who joined service on or after 1st September 1944

(c) The number of Lower Division clerks who qualified for Upper Division in January 1945 was 110

(d) and (e) Recruitment through the F P S C is the normal method and in normal times is obviously preferable to departmental recruiting It temporarily suspended during the war because the F P S C could not

the demands of the Armed Forces Headquarters but was reintroduced in 1945 as a step towards the normal procedure, but with the stipulations—(i) that recruitment through the G H Q Trade Testing School continues at the same time until the F P S C could meet all demands, (ii) that the normal prospects of promotion of existing clerks would not be interfered with

REMOVAL FROM INDIA OF PRECIOUS PAINTINGS BELONGING TO THE GOVERNMEN

743. *Mr. Sasanka Sekhar Sanyal. Will the Honourable Member for Education be pleased to state

(a) whether Government are aware that many precious paintings and portraits belonging to the Government of India have been removed from this country and that they have been replaced by close imitations, and

(b) whether, in view of the importance that works of art are quickly acquiring in the new context of things, Government propose to consider the advisability of appointing a committee of experts for going into an examination of the portraits and paintings of Government for purposes of ascertaining whether they are all originals or any of them is an imitation?

The Honourable Maulana Abul Kalam Azad: (a) The question presumably refers to paintings and portraits in the custody of the Trustees of the Indian Museum or the Victoria Memorial Museum, Calcutta or in the custody of the Archaeological Department in the Fort Museum, Delhi According to the information furnished by the authorities concerned the reply is in the negative

(b) Does not arise

LEGISLATION AGAINST CRIMES AGAINST WOMEN AND FORCIBLE MARRIAGES AN CONVERSIONS

744 *Mr Sasanka Sekhar Sanyal: Will the Honourable the Home Member be pleaesd to state whether the Government of India propose to introduce legislation in connection with crimes against women and forcible marriages and conversions?

The Honourable Sardar Vallabhbhai Patel: No, the provisions of the existing law are considered adequate for the purpose

TEXT BOOKS ON ART AND MUSIC

745. *Mr. Sasanka Sekhar Sanyal: Will the Honourable Member for Education be pleased to state whether Government have accepted as their policy the recommendation of the Central Advisory Board of Education in its report on the post-War Educational Development in India that "Art and music should form an integral part of the curriculum of both academic and technical High Schools"?

(b) What steps, if any, have been or are being taken by Government for encouraging the publication of suitable text-books on art?

(c) What steps have been taken by Government for introducing a curriculum for the study of art in primary and secondary schools?

(d) What steps, if any, have been or are being taken by Government for making available the advice and assistance of well known artists of the country?

The Honourable Maulana Abul Kalam Azad: (a) Yes, Sir The Report of the Central Advisory Board of Education on Post-War Educational Development has generally been accepted by the Central as well as the Provincial Governments

(b) The Government of India have accepted the recommendations of the Central Advisory Board of Education made in 1944 to improve the planning, production and selection of text books and other literature for use in educational institutions in this country The report of the Board has also been commended to the Provincial Governments The recommendations relate to all school literature and art subjects are also included in it The question of implementing these recommendations is under active consideration

(c) An Expert Committee has recently been appointed with the Educational Adviser to the Government of India as its Chairman to draw up a curriculum on broad lines and to prepare a handbook for guidance of teachers, in basic schools The Committee includes experts in Arts and Crafts

(d) The Central Advisory Board of Education at their meeting in January 1947 have recommended the establishment of a National Cultural Trust for India which will include an Indian Academy of Arts and Architecture as one of its constituent bodies The proposed Academy will enrol among its members eminent artists of this country The recommendation of the Board is under consideration

FUTURE STRENGTH OF POST-WAR ARMY

746 *Mr Ahmed E. H. Jaffer. (a) Will the Secretary of the Defence Department please state what the future strength of the Post War army will be?

(b) What is the number of Pre war Officers (Regular Commissions) and Indian Other Ranks in the following communities?

Muslims	Officers	I O R
Hindus	Officers	I O R
Sikhs	Officers	I O R
and Other Communities	Officers	I O R

(c) How many officers hold the following appointments "Battalion Commanders", "G I appointments", 'Brigadiers' among Hindus, Muslims, Sikhs, and other communities'

(d) What is the number of Indians holding commissions in the Indian Army Medical Corps?

Mr. G. S Bhalja. (a) The strength of the Post War Army has not yet been decided

(b) The number of Regular Indian Officers (including I M S) and Indian Other Ranks of each community serving on 1st September 1939 was approximately as shown below

	Officers	I O Rs
Muslims	138	53,000
Hindus	274	63,000
Sikhs	95	24,000
Other communities	70	1,000

(c) I lay a statement on the table of the House

(d) The number of Indians holding Commissions in the Indian Army Medical Corps (including I M S officers in military employ) is 2,452

Statement

1 *Battalion Commander (Lt Colonel) appointments held by Indians* —Muslims 5, Hindus 6, Sikhs 1

2 *G I appointments held by Indians*:—Muslims 22, Hindus 20, Sikhs 11, Other communities 3

3 *Brigadier appointments held by Indians*—Muslims 1, Hindus 7, Sikhs 1, Other communities 1

PERCENTAGE OF MUSLIMS IN BRANCHES OF GENERAL HEADQUARTERS

747 *Mr. Ahmed E H. Jaffer (a) Will the Secretary of the Defence Department please state how many civilians and military personnel (Officers and Indian Other Ranks) are employed in the General Headquarters working as Office Superintendents, clerks and chaprasies in the Directorate of M S Branch, General Staff Branch, A G 's Branch, Q M G Branch, M G O Branch, Engineer-in-Chief's Branch, Supply Department and other military services?

(b) What is the percentage of Muslims in the above?

Mr. G. S Bhalja: (a) and (b) I lay two statements on the table of the House

(a) *Statement showing, the number of civilians and Military personnel (V C Os and I O Rs) who are employed in G H Q as Superintendents, Clerks, Chaprassies*

	Civilians					Military (V C Os and I O.Rs)					
	Supdts	Asstt I/C	Clerks	Inferior servants	Total	Supdts	Asstt I/C	Clerks	Inferior servants	Total	Grand Total
M. S. Branch	7	9	180	60							
G. S Branch	17	9	426	375				10			
A G 's Branch	44	63	1118	460			11	45			
Q. M G 's Branch	28	30	530	221		2	3	69			
M G O Branch	31	71	895	269			4	110			
E -in-C 's Branch	12	20	290	153							
Medical Dte.	7	12	205	98				11			
C A. O.'s Office	30	29	675	630							
Total	176	243	4319	2266	7004	2	18	246		266	7270

(b) *Statement showing the percentage of Muslims in the Branch of General Headquarters.*

Branch	Superintendents		Assistant-in-charge		Clerks		Inferior servants	
	Civilian	Military	Civilian	Military	Civilian	Military	Civilian	Military
M. S.					23%		18%	
G S-	24%		33%		17%	20%	20%	
A. G	20%		18%	27%	18%	17%	20%	
Q M. G	7%	50%	23%		2%	16%	19%	
M. G O .	10%		23%		23%	18%	31%	
E -in C	8%		30%		24%		26%	
Medical Dte	14%		42%		19%	27%	34%	.
C. A. O. .	13%		17%		18%		23%	.

MUSLIM OFFICERS FOR TRAINING IN STAFF COLLEGES

748. *Mr. Ahmed E. H. Jaffer: Will the Secretary of the Defence Department please state

(a) how many officers have been sent to Staff Colleges for training;

(b) how many officers were qualified in Quetta and Camberley and other Dominions,

(c) how many Muslims, Hindus, Sikhs and others were sent to Staff Colleges,

(d) whether the Government of India reserve vacancies for Muslims for all types of higher staff training courses, such as the training course at the Imperial Defence College, and

(e) the steps that are being taken to increase the number of Muslims for such training?

Mr. G. S. Bhalja: (a), (b) and (c) I lay a statement on the table of the House

(d) and (e) The Officering of the Armed Forces, is not on a communal basis The selection of officers for higher training depends on their qualifications and suitability for the particular course and also very largely on the efforts they make to qualify themselves Officers of all communities have an equal chance, and is no reservation of vacancies for any community

Table Showing numbers of Officers who attended staff Colleges from India since 1946 and 1947

Course	Officers sent to Quetta					Total Indian Army	Officers sent to —											Total
		Indian Army Officer					Camberley							1947 Course of the Imperial Defence College				
	British Service Officers	British Officers	Indian Officers		Total Indian Officers		Total at Quetta	British Officers	Indian Officers		Total	Australia	Canada	British	Muslims	Hindus	Total	
			Muslims	Hindus, Sikhs & others					Muslims	Hindus etc								
13th War Course December 45-June 46	38	42	13	39	52	94	132	2		2	4	1(a)						137
14th War Course July 46-December 46	26	56	19	55	74	130	156	4		2	6		1(b)					163
1947 Course February 47.	25	84	18	35	53	137	162		4	4	8			2	1x	3y	6	176
																		476

Notes —(i) The table only shows 'Muslims" and Hindus, Sikhs and others" It is not possible to differentiate from records of officers' names, between Hindus, Sikhs and other classes As Armed Forces are not, as far as officers are concerned, run on a communal basis, information as to officers' classes is not readily available

(ii) (a) British Officer

(b) Indian Officer (Hindu).

(x) Civilian.

(y) Includes two Civilians.

ROYAL INDIA NAVY

	Hindu	Muslim	Sikh	Parsi	Christians	British	
Greenwich Staff College	2	1				2	
Quetta Staff College	1	2		..			
Total	3	3		.		2	8

ROYAL INDIAN AIR FORCE

	Hindu	Muslim	Sikh	Parsi	Christians	British	
Quetta Staff College	5	2					
RAF Gerrards Cross RAF Staff College, Haifa RAF Staff College, Bracknell			1	2	1		
Total	5	2	1	2	1		11

Grand Total 495

DEFLECTIONS OF TRADE IN BETEL NUT FROM MALABAR TO COCHIN AND TRAVANCORE

749. *Sri A. K. Menon: (a) Will the Honourable the Finance Member be pleased to state whether Government are aware that the betel-nut growers of Malabar have, in addition to the Central Excise Duty on betel-nuts, to pay a Provincial Sales Tax also and that consequently, the main trade in betel-nuts is deflected from British Malabar to Cochin and Travancore States?

(b) What steps do Government propose to take in order that the growers of betel-nut in Malabar are not placed in a position of disadvantage when compared to those of Travancore and Cochin?

The Honourable Mr. Liaquat Ali Khan: (a) Government are aware that the dealers in betel nuts in the Province of Madras are subject to sales tax in addition to the Central excise, but they have received no evidence that trade is in consequence deflected from British Malabar to the States of Cochin and Travancore

(b) A copy of this question and answer will be forwarded to the Government of Madras for their consideration

GRANT FOR BUILDING HOUSES IN RURAL AREAS

750. *Prof. N G Ranga Will the Honourable the Finance Member be pleased to state —

(a) whether any attempt has been made to allocate any portion of the last budget provision of funds towards grants for the building of houses;

(b) whether any money has been actually allocated and spent upon house-building schemes in urban and rural areas,

(c) if so, in what proportion and on what conditions, and

(d) whether Government propose to show special consideration to the question of constructing new houses in rural areas in view of the housing shortage in villages?

The Honourable Mr Liaquat Ali Khan: (a), (b) and (c) This is primarily a Provincial concern except in centrally administered areas, but I would invite the Honourable Member's attention to paragraph 39 of my Budget Speech

(d) The Government of India are fully aware of the importance of improving rural housing conditions

ESTATE DUTY BILL

751. *Prof. N. G. Ranga Will the Honourable the Finance Member be pleased to state whether Government propose to have an early discussion on the Estate Duty Bill, 1946, which was introduced in the Assembly on the 21st March 1946?

The Honourable Mr Liaquat Ali Khan The Bill has been circulated for opinion and a decision about the further action will be taken after Government have studied the opinions expressed on the Bill

GRANT FOR RURAL DEVELOPMENT

752. *Prof. N. G. Ranga: Will the Honourable the Finance Member be pleased to state whether Government propose to revive the earlier grant for Rural Development and make it an annual grant to the Provincial Governments so as to relieve the tax-burdens on rural people by such a direct assistance?

The Honourable Mr. Liaquat Ali Khan: Government are making substantial grants to the Provinces for the purpose of development over the whole field, including rural development It is therefore not necessary now to make any rural development grants separately as such

RETRENCHMENT IN ORDNANCE DEPOT AT AGRA

753. *Sjt. Seth Damodar Swroop. Will the Secretary of the Defence Department please state

(a) whether Government are aware that the authorities of the Ordnance Depot at Agra have decided to reduce the strength of the workers both clerical and labour by 1,432, and

(b) if so, whether Government propose to issue instructions to the Ordnance Authorities at Agra to stop discharging any more workers till such time as the Government of India take some final decision regarding the policy of retrenchment?

Mr. G. S. Bhalja: (a) Notices of termination of service were issued to 472 workers in the Ordnance Depot at Agra on the 18th February 1947 It will be appreciated that Government cannot retain in its employ persons for whom there is no work

(b) No, Sir, but retrenchment will proceed on a phased programme and as many will be retained as there is work for

SELECTION OF OFFICERS FOR FINANCE AND COMMERCE DEPARTMENTS POOL

754 *Pundit Thakur Das Bhargava: Will the Honourable the Finance Member be pleased to state

(a) whether Government have any proposals for the recruitment of some Officers to the Finance and Commerce Departments 'Pool', if so, the action that has been taken on them,

(b) whether Government are aware that the usual procedure to select Officers for this 'Pool' has been to invite names from different Provincial Governments and then make selections from among those recommended by the Provincial Governments, if so, whether this procedure has been followed this time, if not, why not, and

(c) whether Government are aware that all Officers included in the 'Pool' automatically get an increment of several hundred rupees?

The Honourable Mr. Liaquat Ali Khan: (a) and (b) The question of taking special measure to increase the strength of the Pool Cadre has been referred to the Establishment Officer for examination Until he has reported and his report has been considered by the Government it will be impossible to give any details of the action contemplated

(c) The Honourable Member's attention is invited to the Finance Department Resolution No F 28(6)-Ex II/38, dated the 2nd February 1939 and Notification No F. 12(1)-Ex I/41/Revised Rates of Pay Rules, No 5, dated 26th June 1941, (copies of which are available in the Library of the House) which regulate the pay of Officers belonging to the Finance and Commerce Departments Cadre (the Pool)

PRISONERS OF WAR IN INDIA

755 *Sardar Mangal Singh: Will the Secretary of the Defence Department please state

(a) the number of Prisoners of War of different nationalities kept in India,

(b) whether any steps are being taken to repatriate them,

(c) the scales of ration that are allowed to them, and

(d) who pays their expenses?

Mr. G S. Bhalja: (a) There are no prisoners of war kept in India at present.
(b) to (d) Do not arise.

GRANT OF PARDON TO MILITARY DESERTERS

756. *Syed Ghulam Bhik Nairang Will the Secretary of the Defence Department please state

(a) the total number of Military deserters who have been granted general pardon according to a press note issued by the Government of India,

(b) how this total number was made up, giving separately the number of Hindus, Muslims, Sikhs, Christians, and other minority communities,

(c) the type and quantity of arms and ammunition carried away by these deserters, and

(d) whether any attempt has been made to recover such arms and ammunition, and if so, with what results?

Mr G S Bhalja: (a) The number of military deserters who have been granted general pardon is 3,39,083

(b) The information is not available at General Headquarters and would have to be obtained from the Regimental Centres The time and labour involved in collecting the information would not be commensurate with the value of the result

(c) No arms or ammunition were carried away by these deserters

(d) The question does not arise

COORG LEGISLATIVE COUNCIL

757 *Lala Deshbandhu Gupta Will the Honourable the Home Member be pleased to state

(a) when the Legislative Council for Coorg was constituted,

(b) what its powers and functions are,

(c) the number of times the Coorg Legislative Council meets in a year,

(d) the number of days in a year this body sits in deliberation, and

(e) whether Government propose to consider the possibilities of introducing some interim Reforms with a view to associating the representatives of the people of Coorg in the matter of administration of their province?

The Honourable Sardar Vallabhbhai Patel (a) On the 28th January 1924

(b) I invite the attention of the Honourable Member to the Memorandum submitted to the Statutory Commission on the existing constitution of the Province of Coorg and its operation, a copy of which is in the Library of this House

(c) Twice a year as a convention

(d) Six to eight days

(e) No

COORG LEGISLATIVE COUNCIL RESOLUTIONS *re* REFORMS

758 *Lala Deshbandhu Gupta (a) Will the Honourable the Home Member be pleased to state whether it is a fact that the resolutions passed in the Coorg Legislative Council are disposed of by the Chief Commissioner himself without reference to the Government of India?

(b) What is the percentage of resolutions accepted by the Chief Commissioner out of those passed each year in the Coorg Legislative Council from the year 1935 onwards?

(c) What is the percentage of such resolutions which were actually implemented each year from 1935 onwards?

(d) How many times did the Coorg Legislative Council pass Resolutions demanding further reforms for Coorg?

The Honourable Sardar Vallabhbhai Patel: (a) To the extent to which the powers of the Central Government are delegated to the Chief Commissioner the latter disposes of the resolutions without any reference to the Government of India

(b) and (c) Percentage of Resolutions accepted and/or implemented is as follows

1935	52
1936	62
1937	42
1938	27
1939	46
1940	42
1941	33
1942	26
1943	11
1944	33

Percentage for the years 1945 and 1946 cannot be calculated as final orders on some of the resolutions carried in these years have not yet been passed

(d) Nine times

Members of the Coorg Legislative Council

759 *Lala Deshbandhu Gupta Will the Honourable the Home Member be pleased to state

(a) the total number of Members in the Coorg Legislative Council,

(b) the number separately under the heads, Officials Non Officials, Europeans Elected and General Elected, and

(c) the number of European residents in Coorg?

The Honourable Sardar Vallabhbhai Patel (a) 20

(b)	Officials	4
	Nominated non official	1
	Europeans elected	2
	General elected	13

(c) According to 1941 census, 51
The present number is about 47

Objection by Mysore to the proposed Construction of Dams by Coorg

760 *Lala Deshbandhu Gupta (a) Will the Honourable the Home Member be pleased to state whether it is a fact that the Coorg Administration has drawn up schemes for constructing Dams across the rivers Laxmanathirtha (South Coorg) and Harangi (North Coorg) in order to irrigate about 12000 acres of land?

(b) Are Government aware that Mysore Durbar has raised some objections in this connection as these rivers are the tributaries of the river Kaveri whose waters are now utilised by Maysore through Krishnaraja Sagar Dam?

(c) Has this matter been referred to the Government of India for necessary action?

(d) If so, when?

The Honourable Sardar Vallabhbhai Patel: The question should have been addressed to the Secretary of the Works, Mines and Power Department It has accordingly been transferred to the List of questions for the 11th March, 1947, when it will be answered by the Secretary of the Works, Mines and Power Department

ORDERS IN THE DEFENCE DEPARTMENT FOR PRODUCTION OF MEDICAL CERTIFICATES BY STAFF

761 *Shri Mohan Lal Saksena (a) Will the Secretary of the Defence Department be pleased to state whether it is a fact that the Chief Administrative Officer in his Department has issued orders that medical certificates should be produced even for one day's absence from office on account of sickness?

(b) If so, do they apply to the temporary members of the Ministerial and inferior staff only?

(c) Are Government aware of the amount of hardship this order would cause?

(d) Have similar orders been issued in any other Department? If not, do Government propose to consider the advisibility of cancelling the aforesaid order?

Mr G. S. Bhalja (a) Yes, Sir

(b) No, Sir, they apply to both permanent and temporary members of ministerial and inferior staff

(c) It should not cause any hardship in genuine cases as the establishment concerned is entitled to free medical treatment

(d) No, Sir The concession of one day's leave on the plea of sickness without producing a medical certificate was withdrawn because there was reason to believe that it was being abused The position will be reviewed if there is an improvement in regularity of attendance

WATER SCARCITY IN VIZAGAPATAM AND WALTAIR

762 *Prof. N. G Ranga Will the Secretary of the Defence Department be pleased to state

(a) whether Government are aware that within a short distance of Vizagapatam and Waltair there is a military station with arrangements for water supply,

(b) if so, whether Government propose to abandon that station and to hand it over to the Madras Government or to disband it,

(c) whether Government are aware of the water scarcity prevailing in Vizagapatam and Waltair, and

(d) if so, whether Government propose to hand over the water works at the said station to the Waltair and Vizagapatam Municipalities either free or on reasonable terms?

Mr. G. S Bhalja: (a) Yes, Sir

(b) No, Sir

(c) Yes, Sir

(d) In view of the answer to part (b) this question does not arise

RECRUITING OFFICERS IN ALMORA DISTRICT

763 *Sjt Seth Damodar Swroop: Will the Secretary of the Defence Department please state

(a) how many recruiting officers were appointed in the Almora District during the period 1939-45,

(b) what were their educational and military qualifications, their rank and pay, and

(c) how many of them are still retained in their rank and how many of them have undergone military training, if any, in their capacity as Recruiting Officers entitling them to act as officers of the Units to which they are now attached?

Mr. G S. Bhalja: (a) There was only one appointment of Assistant Recruiting Officer sanctioned for Almora District during 1939 45, which was held by seven different officers

(b) I lay a statement on the table of the House

(c) No one has been retained in Almora Three officers, however, are still employed in the Recruiting Organization in their war substantive ranks None underwent military training while in the Recruiting Organization but three of them had received military training prior to joining the Recruiting Organization and two belonged to the Army in India Reserve of Officers

Statement

Names of the Recruiting Officers who were appointed in Almora District during the period 1939 45	Qualifications educational and Military, their rank and pay (1) Educational (2) Military (3) Rank and Pay
1 Capt D Tanner, A I R O	(1) Information not available (2) Army in India Reserve Officer (3) Pay of rank as Captain *plus* Rs 50 p m
2 Capt R E A Liddell, A I R O	(1) Information not available (2) Army in India Reserve Officer (3) Pay of rank as Captain *plus* Rs 50 p m
3 Major B M Mopeton	(1) Information not available (2) Special Unemployed List Officer (3) Pay of rank as Major *plus* Rs 50 p m
4 Capt L C. Shah, I E C O	(1) Upto Matric (2) One month's preliminary Military Training with 10/19th Hyderabad Regiment, Agra (3) Pay of rank as Captain *plus* Rs 50 p m
5 Capt M S Barathokey I E C O	(1) B A , also Special Vernicular Examination (2) One month's preliminary Military Training with 10/19th Hyderabad Regiment, Agra (3) Pay of rank as Captain *plus* Rs 50 p m
6 Capt Rana Parakram Jang Bahadur I E C O	(1) High School (2) Indian State Forces Officer (3) Pay of rank as Captain *plus* Rs 50 p m
7 Capt Bhawan Singh Shahi I E C O	(1) Higher English Standard (2) Examination at Belgaum Small Arms School, Pachmarhi Equitation Course, Quetta Driving and Maintenance Course, Ahmednagar Served with 1st Kumaon Rifles 10/19th Hyderabad Regiment and 1st Battalion the Assam Regiment (3) Pay of rank as Captain *plus* Rs 50 p m

SECURITY OFFICERS

764 *Sjt Seth Damodar Swroop Will the Secretary of the Defence Department please state whether Government propose to disband the security officers who were mostly appointed for the duration of the war?

Mr. G. S Bhalja: Many Security Officers have been released or returned to their units

RE-EMPLOYMENT OF DISCHARGED ASSISTANTS OF INFORMATION AND BROADCASTING DEPARTMENT

765 *Mr Sasanka Sekhar Sanyal. Will the Honourable Member for Information and Broadcasting be pleased to state

(a) whether Government are aware that some assistants of the Information and Broadcasting Department of the Government of India were discharged in August 1945 on political grounds,

(b) whether it is a fact that the present Government have made enquiries about the whereabouts of such persons if so, the reasons for making such enquiries, and

(c) whether Government are considering the question of re employing these persons?

The Honourable Sardar Vallabhbhai Patel (a) The services of one Assistant only were dispensed with in August 1945 He was a temporary employee who could, under the conditions of his service, be discharged without notice He was found unsuitable for retention in service

(b) and (c) I would invite the Honourable Member's attention to my reply to the Honourable Seth Govind Das's question No 407 answered on the 20th February 1947

INCREASED DEARNESS ALLOWANCE TO GOVERNMENT SERVANTS

766 *Mr Madandhari Singh (a) Will the Honourable the Finance Member please state whether there is any basis in the report regarding the increase in the dearness allowance to Government servants published in the *Hindustan Times* sometime ago in the month of January 1947? If so, when Government are giving effect to those proposals?

(b) In view of the prevailing high prices and the long time to be taken by Government in announcing their decision regarding Pay Commissions recommendations do Government propose to give any relief for the interim period to their employees? If not, why not?

The Honourable Mr Liaquat Ali Khan (a) The report is contrary to facts and the question of giving effect thereto does not arise

(b) Government have already sanctioned reasonable interim relief for their employees A copy of the orders is laid on the table Final orders in the matter will be issued after Government have reached a decision on the recommendations of the Commission

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No F 11(3) B II/46

GOVERNMENT OF INDIA,

FINANCE DEPARTMENT

New Delhi, the 13th August, 1946

OFFICE MEMORANDUM

SUBJECT —*Grant of interim relief to Central Government servants paid from civil estimates*

The undersigned is directed to state that the Governor General in Council has had under consideration the question of the interim relief to be granted to Government servants serving in departments other than Railways and Posts and Telegraphs, pending the revision of pay scales in the light of the Pay Commission's recommendations The grant of the following concessions has now been approved

(1) With effect from the 1st July 1946, all areas which are at present included in Class 'C' for purposes of dearness allowance will be included in Class 'B', that is, the minimum rates of dearness allowance admissible at any station will be those prescribed at present for Class 'B' towns

(ii) In all areas where the supply of foodstuffs at concessional rates to Central Government servants has not been arranged by the Government of India, a compensatory allowance of Rs 3 12 0 p m will be admissible to all Government servants drawing pay not exceeding Rs 300 p m Government servants who are already entitled to the benefits of the supply of foodstuffs at concessional rates may at their option either continue to receive the benefit in kind or take the cash compensatory allowance mentioned above The option once exercised shall be final The head of the office or department shall be personally responsible for satisfying himself that no officer receives both the concession in kind and the compensatory allowance A certificate to this effect shall be attached to every bill in which this allowance is claimed

(iii) Government servants drawing upto Rs 40 per mensem will be eligible for addition to pay at a flat rate of Rs 3 per mensem, other Government servants to whom this concession applies (see below) will be given Rs 4 8 0 p m The Governor General in Council has been pleased to decide that this addition should be classified as pay under the provisions of F R 9 (21) (a) (iii) This concession will be admissible to all Government servants in receipt of pay not exceeding Rs 250 p m In the case of staff drawing pay between Rs 250 and 254 8-0 p m such addition will be given as will bring their pay upto Rs 254 8-0 p m

2 The concessions in paras 1(ii) and 1(iii) above will have retrospective effect from the 1st July 1945 (including the corresponding increase in dearness or war allowance, if any, based on the addition to pay), and the amounts so payable will be disbursed in three equal monthly instalments To facilitate calculation of arrears, the Governor General in Council has decided that the amount payable in respect of the concession in para 1(iii) shall be worked out at the prescribed flat rate for all periods of duty and leave (other than leave without pay) falling between the dates 1st July 1945 and the date of these orders For those on pay between Rs 250 and Rs 254 8 0 the arrears will be calculated at the rate for marginal adjustment prescribed above

3 The concessions mentioned in this Office Memorandum will be admissible to all Government servants in civil departments (other than those on the Railways or in the P & T Department) who were in service on 1st July 1946 or have been recruited after that date

G SWAMINATHAN,
Deputy Secretary to the Government of India

To

All Departments of the Government of India

No I 11(3) E II/46

Copy forwarded to all Secretaries to the Governor General, the Political Department the Crown Finance Officer, the Financial Adviser Communications, the Financial Adviser War and Supply, the Additional Financial Adviser, Supply Finance, the Joint Financial Adviser Munitions Production Calcutta, the Joint Financial Adviser Supply, the Joint Financial Adviser, Food, the Controller of Food Accounts, the Secretary to the Executive Council, the Federal Court, the Federal Public Service Commission, the Military Secretary to His Excellency the Viceroy, the Auditor General of India, the Central Board of Revenue, all Accountants General and Comptrollers the Director of Audit War & Supply, the Director of Railway Audit the Chief Controller of Supply Accounts and all Controllers of Supply Accounts, the Deputy Accountants General under the Accountant General Posts and Telegraphs and the Accounts Officer, Telegraph, Check Office, Calcutta the Mint Masters, Bombay, Calcutta and Lahore, the Master Security Printing, India, the National Savings Central Bureau, and Ministry of Supply Mission and the Financial Adviser Delhi Province

Copy forwarded to all Provincial Governments and Chief Commissioners

By order, etc,

P N SEGAL,
Assistant Secretary to the Govt of India

COPY OF GOVERNMENT OF INDIA, RAILWAY DEPARTMENT (RAILWAY BOARD) No E 46 PA 1134/3, DATED THE 2ND AUGUST 1946, ADDRESSED TO ALL INDIAN GOVERNMENT RAILWAYS ETC,

SUBJECT —*Grant of additional pay to certain categories of non gazetted Railway servants as interim relief*

A reference is invited to the Resolution of the Railway Standing Finance Committee, dated 14th June 1946 wherein they had recommended that pending the enquiry by the

Pay Commission the Railway staff should be granted interim relief amounting to Rs. 5 crores annually, the relief being given retrospective effect from the 1st July 1945 involving in the year 1946 47 an additional expenditure of about Rs 9 crores As already intimated *vide* Railway Board's telegram No E 45 M1 11, dated 21st June 1946, this Resolution was accepted by both the Government of India and the All India Railwaymen's Federation

2 The Railway Board have since discussed with the All India Railwaymen s Federation the details of the method of paying this interim relief to staff As a result of these discussions, the Governor General in Council has been pleased to sanction with retrospective effect from 1st July 1945, a temporary addition to pay of Rs 4-8 0 p m to each monthly rated railway servant in receipt of pay not exceeding Rs 250 p m and of 0 2 9 per day to each daily rated railway servant In the case of staff drawing pay between Rs 250 and 254 8-0 p m such additional pay will be given as will bring their pay up to Rs 254 8 0 p m

3 The Governor General in Council has also been pleased to decide that the addition to pay sanctioned above will be treated as pay for purposes of Provident Fund, leave and gratuity

4 This additional pay will be admissible to all Railway servants who were in service on 1st August 1946 as well as to those who are recruited thereafter until further orders

5 The arrears will be calculated at the rate of Rs 4 8-0 p m or 0 2 9 per day as the case may be for the period of service from 1st July 1945 to 31st July 1946 less periods of leave without pay, if any In the case of those drawing pay between Rs 250 and Rs 254-8-0 p m the arrears will be calculated at the rate of marginal adjustment prescribed in para 2

6 The Railway Board have given an undertaking to the Federation that the arrears of relief will be paid to the staff not later than the date prescribed for the disbursement of the pay for August 1946 In view of this the Railway Board desire that special arrangements should be made for the payment of the arrears sanctioned above to staff by this date

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INDIAN POSTS & TELEGRAPHS DEPARTMENT

OFFICE OF THE DIRECTOR GENERAL, POSTS & TELEGRAPHS

MEMO No A 1-36 61/46

New Delhi, the 16th August, 1946

SUBJECT —*Adjudicator's Award*

In connection with the award of the Hon'ble Mr Justice Rajadhyaksha, Adjudicator in the dispute between the P & T Department and its non gazetted employees, the Governor General in Council is pleased to sanction on a temporary basis till 31st December, 1946 the grant of personal pay belonging to the categories mentioned in the accompanying statement at the rates indicated against each The amount of personal pay should be rounded off to the nearest anna, 6 pies and more being counted as 1 anna and less than 6 pies being ignored and should not be absorbed in future increments

2 These orders have effect from 1st July 1946, but in the case of all categories of staff except those referred to in item (v) of the statement retrospective effect will be given to the concession from 1st January 1945, and the officials concerned should be granted arrears of personal pay for the period from 1st January 1945 to 30th June 1946 calculated on the pay for the month of June 1946

3 These orders will not apply to employees on the unified scale of pay, but will apply to employees of the Telephone District of Bombay Calcutta and Madras and (including Ahmedabad and Karachi) and of the Telephone Workshops, Bombay, appointed on or after 1st April 1943 on the revised scale of pay for P & T staff of corresponding categories

4 The Governor General in Council is also pleased to decide that for the purpose of grant of dearness allowance all localities now classed as "C" should be upgraded into "B" category with effect from 1st July 1946

5 The additional provision required in this connection may be suggested in your R E 1946 47 An explanatory memorandum showing the amount of additional provision included in the estimate under the different heads separately for arrears and for regular additions to the standing charges may be sent along with form Budget 1

N SHERRARD SMITH,
Senior Deputy Director General

To

All Heads of Circles, etc.

Categories of staff as given in the schedule 1 on page 77 of the Manual of Pay and allowance of Officers of the Indian P & T Department		Increase
(i) Section XV	Runners	
Section XVI	Record Supplyers, Ferro typers, Multigraphers, Compositors, Remprinter Operators, Markers, Duftries, Form Supplyers, Form Pickers, Binders, Attenders, Jemadars, Hall Jemadars Head Porters Overseers in Railway Mails Service, Havildars, Head Peons and Makadams	
Section XVII	Boy Peons, Boy Messengers and Boy Farashes	
Section XVIII	(a) Packers, Porters Messengers other than Task work Messengers, Chowkidars, Watchmen Gatemen, Himals Durwans, Office Peons, Farashes, Mail Peons, Letter Box Peons, Van Peons, Boatmen, Lascars Cible Guards, Attendants, Battervmen Line Coolies, Telephone Coolies, Wire Coolies, Pressmen, Distributors, Inkers, Cleaners in Telephone Exchanges, Firemen, Liftmen, Weighmen, Lampmen, Khallasis, Coolies Engine Coolies and other whole time employees	25%
(ii)	Task work Messengers	50% (Subsistence Allowance)
(iii) Section V	Postmen, Village Postmen, Mail Guards Linemen, Lineriders Departmental Stamp Vendors at places other than Presidency towns, Shroffs and Bill Sirears and	
Section XIII (b)	Carpenters Painters, Bicycle Mistries, Assistant Mistries and Motor men	20%
(iv) Section I	All other categories excluding those in Sections I, XII and XIV, but including Second Division Clerks and Accountants in Section I	15% subject to a max of Rs 20
(v) Section I	(With the exception of Second Division Clerks and Accountants)	
Section XII	Sub Inspectors, and	
Section XIV	Conservancy Inspectors Caretakers, Sanitary Inspectors and Commissioners	5% subject to a minimum of Rs 5

INDIAN POSTS & TELEGRAPHS DEPARTMENT

OFFICE OF THE DIRECTOR GENERAL, POSTS & TELEGRAPHS

MEMORANDUM No A 1 39-61/46

New Delhi, the 17th August, 1946

SUBJECT —*Concessions for P & T Staff*

Reference is invited to the Director General's General Circular No 13, dated 27th July 1946, which contains details of the relief recommended by the Adjudicator for the non-gazetted staff of the Department on the new scales of pay Formal orders on the subject will be issued separately

The Governor General in Council is pleased to decide that the following additional concessions should be granted to the non gazetted staff on a temporary basis till 31st December 1946 —

(1) Grain Compensation Allowance of Rs 3 12 0 p m will be drawn by non gazetted staff on both old and revised scales of pay subject to the following conditions —

(a) In places where there are chief departmental grainshops or where any grain concession scheme is in operation the cost of which is met by the Department and the monetary value of the concession exceeds Rs 3-12 0 p m the existing arrangements will be continued and no grain compensation allowance will be admissible

(b) In places as above, where the monetary value of the concession is less than Rs 3-12 0 p m the difference between Rs 3 12-0 and the monetary value of the concession will be paid with retrospective effect from 1st February 1945 In such places, if it can be arranged, grain will be sold at ordinary controlled rates and the full allowance of Rs 3 12 0 p m will be paid to the staff with effect from 1st October 1946

(c) In the case of staff in the Bengal and Assam Circle who had joined the Defence of of Indian Units, grain compensation allowance will be granted with effect from the date of withdrawal of the militarisation concessions

(d) In places where there are no departmental cheap grain shops and where no grain concession scheme is in operation, grain compensation allowance will be granted with effect from 1st February 1945

(e) The grain compensation allowance is liable to revision quarterly Until further orders the rate of allowance will, however, remain at Rs 3 12 0 p m

(f) The staff may be given the option of drawing the arrears of grain compensation allowance in monthly instalments covering a period of six months from 1st September 1946

(2) In partial modification of the orders contained in para 3 of this Office Memo No A35 5/46, dated 28th March 1946 good conduct pay of Rs 10 shoud be granted to all non gazetted staff on pay exceeding Rs 42 p m with effect from 1st July 1946 In the case of staff drawing pay up to Rs 42 p m the grant of good conduct pa will be governed by the existing orders

(3) (a) The house rent allowance for postmen and inferior servants in Calcutta who are at present entitled to Rs 5 p m and are not in occupation of Government quarters should be increased to Rs 10 p m with effect from 1st July 1946

(b) The house rent allowance to postmen and inferior servants in Bombay not in occupation of Government quarters should be increased from Rs 7 to Rs 10 p m with effect from 1st July 1946

(4) (a) The house rent allowance of postmen and inferior servants in Delhi who are not in occupation of Government quarters should be increased from Rs 5 and Rs 3 respectively to Rs 9 and Rs 7 respectively with effect from 1st July 1946

(b) The house rent allowance of postmen and inferior servants in Madras who are at present entitled to Rs 3 p m and who are not in occupation of Government quarters should be increased to Rs 7 p m with effect from 1st July 1946

(5) The compensatory house rent allowance sanctioned for the non gazetted staff in Calcutta and Bombay who are not in occupation of Government quarters should be subject to a minimum of Rs 10 with effect from 1st July 1946

(6) In partial modification of the orders contained in this Office Memo No A8 35/44 dated 2nd February 1946, compensatory house rent allowance will be granted in Calcutta and Bombay to non ministerial servants eligible for overtime allowance and who are not in occupation of Government quarters on the same terms and conditions as are applicable to those not in receipt of overtime allowance These orders will have effect from 1st July 1946

(7) House rent allowance at Rs 10 p m will be granted in Madras City with effect from 1st July 1946 to all non gazetted staff except postmen and inferior servants who are already in receipt of house rent allowance Those who are eligible for house rent allowance in excess of this amount under those orders In the case of officials, other than postmen and inferior servants who are already in receipt house rent allowance of less than Rs 10 p m the allowance will be raised to Rs 10 p m with effect from 1st July 1946

(8) Non gazetted staff of all grades in Calcutta, both on the old and revised scales of pay, who are not already in receipt of compensatory allowance, will be granted this allowance at the rates, if any granted to the staff of corresponding grades on the revised scales of pay in Bombay, with effect from 1st July 1946

(9) Non gazetted staff on the old scales of pay in Bombay who are not already in receipt of compensatory allowance will be granted this allowance at the rates, if any applicable to

the staff on corresponding grades on the revised scales of pay in the locality, with effect from 1st July 1946

(10) Officials who have elected the unified scales of pay may be allowed the option of reverting to their permanent departmental scales for the purpose of becoming eligible for the relief recommended by the Adjudicator in the shape of personal pay on percentage basis This option should be exercised within 2 months of the issue of the orders of the Government on the Adjudicator's award No re adjustments need be made of pay and allowances drawn prior to 1st July 1946, but bonus already drawn under the unified scale of pay scheme for any period should be deducted from the arrears of personal pay to which an official may be eligible under the award for the same period

N SHERRARD SMITH,
Senior Deputy Director General

INDIAN POSTS & TELEGRAPHS DEPARTMENT

OFFICE OF THE DIRECTOR GENERAL, POSTS & TELEGRAPHS

Memo No A1 39 83/46

New Delhi, the 14th January 1947

Interim relief to P & T Staff

The Governor General in Council has decided that the orders contained in this Office Memo No A1 39 61/46, dated the 16th August 1946, and the 17th August 1946 shall remain in force after the 31st December 1946 for such period till orders of the Government on the recommendations of the Central Pay Commission are put into effect, and subject to the condition that all payments made under this sanction will be adjusted against those due under the new orders

N SHERRARD SMITH
Senior Deputy Director General

No A1 39 83/46

Copy to —

(1) Accountant-General, Posts and Telegraphs, Simla
(2) All Deputy Accountants General Posts and Telegraphs

(Sd)
Assistant Financial Adviser, Communications

NEW DELHI
The 14th January 1947

No A1 39 83/46

Copy to —

All Heads of Circles
Electrical Engineer in Chief Alipore, Calcutta
Director of Telegraph Workshops, Alipore, Calcutta
Chief Controller of Telegraph Stores, Alipore, Calcutta
Chief Accounts Officer, Store Yard, Alipore, Calcutta
Accounts Officer, Telephone Revenue, Delhi
Superintendent, Postal Seals, Aligarh
General Manager, Telephones, Bombay
General Manager, Telephones, Calcutta
District Manager, Telephones, Madras
District Manager, Telephones, New Delhi

S A ANANTAKRISHNAN,
Assistant Director General (P & A)

NEW DELHI,
The 14th January, 1947

RECOMMENDATION BY THE PAY COMMISSION *re* REVISION OF PAY

767 *Mr. Madandhari Singh (a) Will the Honourable the Finance Member please state the Services in respect of which recommendations of the Pay Commission relating to revision of pay scales have already been received by Government?

(b) Do Government propose to appoint any Committee comprising of the representatives of the various Departments to expedite examination of the recommendations of the Pay Commission to ensure a quick decision?

The Honourable Mr. Liaquat Ali Khan (a) Government have so far received advance copies of recommendations of the Central Pay Commission relating to pay scales in respect of the Secretariat staff, Railways, Posts and Telegraphs, Audit and Military Accounts Departments

(b) Government do not propose to appoint any such Committee, they have already placed a Joint Secretary of the Finance Department on special duty for this purpose and he will hold departmental conferences as and when necessary to expedite examination of the recommendations of the Commission and to ensure prompt disposal

PERMANENT COMMISSION IN ROYAL INDIAN NAVY TO INDIAN OFFICERS FROM THE RESERVE

768 *Shrimati Ammu Swaminadhan (a) Will the Secretary of the Defence Department be pleased to state how many Indian Officers from the Reserves have been granted permanent commissions in the Royal Indian Navy?

(b) How many of the Indian Officers granted permanent commissions in the Royal Indian Navy were trained in the *Dufferin* and had served in the reserves during the war?

(c) What were the guiding principles on which selections to the permanent cadre were based, and was any importance given to confidential reports?

(d) Are Government aware that the nationalist sentiments of Indian Officers in the Royal Indian Navy Reserves have gone against their selection for permanent commissions?

Mr G S Bhalja: (a) 145

(b) 22

(c) The recommendation of the Services Selection Board and their grading taken in conjunction with the officers record of service and his confidential reports by Commanding Officers

(d) No, Sir

SELECTION FROM THE RESERVE FOR PERMANENT COMMISSION IN THE ROYAL INDIAN NAVY

769 *Shrimati Ammu Swaminadhan Will the Secretary of the Defence Department be pleased to state

(a) whether Government propose to have further selection of officers from the Reserves for permanent commissions in the Royal Indian Navy and

(b) if so, whether Government propose to reorientate the method of selection so as to give recognition to healthy national sentiment?

Mr. G S Bhalja (a) No, Sir

(b) This does not arise in view of the answer to (a) above

INDIANISATION OF THE ROYAL INDIAN NAVY

770 *Shrimati Ammu Swaminadhan Will the Secretary of the Defence Department be pleased to state what plans Government have drawn up with regard to the Indianisation of the Royal Indian Navy, with special reference to the gradual replacement of senior non Indian Officers?

Mr G S Bhalja The whole question of the Nationalisation of the Armed Forces, including the Royal Indian Navy is now under active consideration by the Armed Forces Nationalisation Committee set up by the Government of India Their recommendations are awaited

The recruitment of non Asiatics to the permanent cadre of the R I N has been stopped Short Service Commissions for five and three years are offered only to Indians

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UNSTARRED QUESTION AND ANSWER

QUALIFICATIONS OF OFFICERS IN FAUJI AKHBAR

75 Sardar Mangal Singh Will the Secretary of the Defence Department please state

(a) the number of military and civilian personnel including officers drawing more than Rs 250 p m working in *Fauji Akhbar* or attached to that office,

(b) their names, designations and academic qualifications including the examinations passed in oriental and other languages, and

(c) the journalistic experience of each one of them (with the name of the papers and period for which they worked) before joining the Public Relations Directorate?

Mr G S Bhalja (a) 11

(b) and (c) A statement is placed on the table of the House

STATEMENT

Name	Designation	Examination passed	Language Examinations (Names of Examinations & languages oriental & other)	Journalistic Experience before joining P R Dte	
				Paper	Period
1	2	3	4	5	
Capt Abdul Wahid	Editor	M A	M A (English) Intermediate (Persian)	Was a free lance journalist Contributed to various English and Urdu newspapers and magazines for over 10 years (C & M Gazette Inqilab, Zamindar Makhzan etc)	
Capt Basharatullah	Public Relations Officer	M A (Philosophy) M A (Persian) LL B	1 Persian M A 2 Urdu (i) B A (ii) I Class Interpreter ship	Editor Postal Advocate	5 year
Badruddin Badr	Civilian Public Relations Officer	Privately Educated		*A Dailies* 1 Zamindar News Editor	2 years
				2 Ehsan	1 year
				3 Bande Matram	6 Months
				4 Azad	6
				5 Sardar	3
				6 Insaf	4 "
				B Monthlies 1 Nairang i Khyal Asstt Editor	3 years
				2 Makhzan, Asstt Editor	1 year

				3 Firdaus, Editor	2 years
				C —Worked as News Editor (Broadcasting) in Information Bureau Punjab	1 year
Lt Kehar Singh	Manager	1 Matriculation Punjab University 2 Army School of Education Distinguished	1 Higher Standard Urdu I A First Class English Certificate 3 I A Special Certificate 4 I A 1st Class Certificate		
N N Seth	Asstt Editor	B A LL B	Urdu B A Persian Intermediate	1 Investment & Finance (Weekly) Delhi	2 yrs Sub Editor
				2 Vanguard (Daily) Delhi	1 yr
				3 Careers (Monthly) Lahore	1 yr Asstt Editor
				4 Northern Review (weekly) Lahore	1 yr
				5 Annotated Law Reporter (monthly)	1 yr
				6 Law College Magazine Lahore	1 yr Student Editor
Khawaja Tasawwur Ali Hyder	Sub Editor (English)	B A LL B	B A (Urdu & Arab)	Daily Anjam Delhi	1½ yr (Translator)
Kanti Chandra Sonrexa	Sub Editor (Hindi)	B A with Hons (Pass) in Hindi Literature	1 B A with Hons (Pass) in Hindi Language & Literature	1 Weekly Vichar, Calcutta	8 months Associate Editor
				2 Weekly Saraswati Series Allahabad	4 month Writer & Editor

1	2	3	4	5	
				3 Daily "Arjun", Delhi	7 months, Sub Editor
				4 Daily "Vishwamitra", New Delhi	5 months (Senior News Editor)
ub Major Kesar Singh	Sub Editor (Gurmukhi)	1 Matriculation, Punjab University 2 I A English 1st Class Certificate of Education 3 I A Special Certificate of Education 4 Army School of Education Senior Instructors' course 5 Crown Representatives' Police 1st Class certificate of Education	1 Persian and Urdu in the Matriculation.		
V Veera Raghvan	Sub Editor (Tamil)	B A	B A Tamil	1 Cine Art Review (English)	6 yrs Editor
				2 Adal Padal (Tamil)	5 yrs. ,,
				3 Rashtravani (Tamil)	1 yr ,,
				4 Modern Times (English)	1 yr ,,
Sub Major Ram Prasad Khattri	Sub Editor (Gurkha Samachar)	1 School Leaving Certificate 2 Indian Army Special Certificate of Education			....
Dev Dutt Sharma	Layout Expert	1 Matriculation 2 Graduated in Fine Arts (5 yrs course) from Govt School of Arts & Crafts, Lucknow			

SHORT NOTICE QUESTION AND ANSWER

Grievances of Ajmer-Merwara School Teachers

Pandit Mukut Bihari Lal Bhargava: Will the Honourable Member for Education be pleased to state

(a) whether Government have received a representation from the Teacher's Association, Ajmer-Merwara, claiming similar interim relief as has been provided to the teachers of Delhi Province,

(b) whether this Association has served a strike notice,

(c) whether Government and the Association have recently carried on any negotiations to find out a solution satisfactory to all parties concerned, and if so, what is the result, and

(d) what steps, if any, are being taken by Government to avert the strike and to improve the lot of the teachers?

آنریبل مولانا ابوالکلام آزاد (اے) گورنمنٹ آف انڈیا کو مقامی حکومت کے ذریعہ سے اجمیر میروارہ کی ٹیچرزایسوسی ایشن کی ایک تحویر پہونچی ہے جو ۱۷ جنوری سنہ ۱۹۴۷ع کو ایسوسی ایشن کے غیر معمولی جلسے میں منظور کی گئی تھی - اس تجویز میں یہ مطالبہ کیا گیا تھا کہ دہلی پراونس کے ٹیچروں کو جو رعایتیں دی گئی ہیں ویسی ہی رعائتیں وہاں کے ٹیچروں کو بھی دی جائیں -

(بی) اس بارے میں کوئی باضابطہ اطلاع گورنمنٹ آف انڈیا کو نہیں ملی کہ اُن کا آخری فیصلہ سٹرائک کرنے کا تھا -

(سی) ٹیچروں نے اپنی شکایتیں مقامی ایجوکیشن ڈیپارٹمنٹ کے سامنے رکھی تھیں جس نے یہ معاملہ گورنمنٹ آف انڈیا کو فیصلہ کے لئے بھیجا ہے -

(ڈی) گورنمنٹ آف انڈیا نے یہ بات منظور کرلی ہے کہ جو رعایتیں دہلی پراونس کے ٹیچروں کے سامنے کی گئی ہیں وہ اجمیر میروارہ کے ٹیچروں کے ساتھ بھی کی جائیں مقامی حکومت کو اس فیصلہ کی اطلاع پہلی مارچ سنہ ۱۹۴۷ع کو دیدی گئی تھی اور اُسے یہ کہدیا گیا ہے کہ وہ اخراجات کی تفصیلات گورنمنٹ آف انڈیا کو منظوری کے لئے جلد بھیج دے -

The Honourable Maulana Abul Kalam Azad (a) A copy of a Resolution passed at an extraordinary General meeting of the Ajmer Merwara Teacher's Association, held on the 17th January, 1947, demanding similar relief as has been provided to the teachers of Delhi Province was received by the Government of India through the Local Administration on the 17th February, 1947,

(b) No Official communication of a final decision to go on strike has been received by the Government of India,

(c) The teachers had placed their grievances before the Local Education Department, Ajmer-Merwara, who referred the matter to the Government of India for decision,

(d) The Government of India have agreed to grant the same concessions as sanctioned to teachers in Delhi Province to teachers in Ajmer-Merwara The Local Administration have been informed of this decision on the 1st March, 1947 and have been asked to submit details for expenditure sanction immediately

MESSAGE FROM THE COUNCIL OF STATE

Secretary of the Assembly Sir, the following message has been received from the Council of State

"The Council of State at its meeting held on the 4th March, 1947, agreed without any amendment to the following Bills which were passed by the Legislative Assembly at its meeting held on Thursday, the 27th February, 1947, namely

1 A Bill to continue for a limited period powers to exempt operations affecting ammunition explosives and inflammable substances from certain restrictions, and to regulate those operations

2 A Bill further to amend the Reserve Bank of India Act, 1934

3 A Bill to confer for a limited period special powers for regulating the transport of goods on railways "

DELHI AND AJMER MERWARA RENT CONTROL BILL

Mr B K Gokhale (Government of India Nominated Official) Sir, I move

'That the time appointed for the presentation of the Report of the Select Committee on the Bill to make better provision for the control of rents in certain areas in the Provinces of Delhi and Ajmer Merwara be extended up to Wednesday, the 12th March, 1947'

I may just explain that the Select Committee has held several meetings in the last few days and has practically gone through the entire Bill, but, certain clauses have to be redrafted, and owing to the intervening holidays, it is not possible to hold another meeting of the Select Committee until Monday, the 10th instant It will, therefore, not be possible to present the Select Committee's Report on Monday the 10th I expect that the Report will be ready by Wednesday the 12th and that is why I am moving this motion

Mr President The question is

"That the time appointed for the presentation of the Report of the Select Committee on the Bill to make better provision for the control of rents in certain areas in the Provinces of Delhi and Ajmer Merwara be extended up to Wednesday, the 12th March, 1947"

The motion was adopted

INSURANCE (SECOND AMENDMENT) BILL

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE

The Honourable Mr I. I. Chundrigar (Commerce Member) Sir, I beg to present the Report of the Select Committee on the Bill further to amend the Insurance Act, 1938 (Second Amendment)

PUBLICITY BY CERTAIN NEWSPAPERS OF THE RECOMMENDATIONS OF THE SELECT COMMITTEE ON INSURANCE (SECOND AMENDMENT) BILL BEFORE THE PRESENTATION OF THE REPORT

Mr President: In connection with the report of the Select Committee on the Insurance (Second Amendment) Bill which the Honourable the Commerce Member has just presented to the House, I am sorry to find that some of the Select Committee's recommendations have been published in certain newspapers and commented upon in detail My attention has been drawn in this connection to writings in the following newspapers —

1 *The Statesman* of New Delhi, dated the 24th December, 1946

2 *Commerce* of Bombay, dated the 4th January and 1st February, 1947

3 *The Insurance Review* of Lahore, dated the 27th January 1947 containing five pages of extracts from the Bill as amended by the Select Committee

4 *The Times of India* of Bombay, dated the 25th February, 1947

5 *Capital* of Calcutta, dated the 13th February, 1947

Between the last two meetings of the Select Committee, which took place on the 23rd December, 1946 and the 18th February, 1947, the draft report of this Select Committee was circulated to the Members at their home for their consideration with an intimation that the contents of the report were to be treated as confidential until the report was actually presented to this House It is not possible for me to say just exactly where the leakages have occurred in this case, but I deplore what has happened and I hope Honourable Members of this House and the Press will co operate with me in future to abide faithfully by the well-established convention that nothing which transpires at a meeting of a Select Committee, which is appointed to report to the House on a Bill or any other matter is made public, before the Committee's report is actually presented to the House

Khan Mohammad Yamin Khan (Agra Division Muhammadan Rural) May I in this connection point out, and through you bring to the notice of the House that leakages of this kind are becoming very common In the Banking Bill Committee, over which I was presiding, there came a report to me about the leakage of certain sections which had been amended in a particular form before even the Committee had finished its work and this information appeared in certain newspapers I immediately took action and I wanted to report the matter to you But the paper concerned as well as the press concerned apologised I accepted their apologies and did not report the matter to you

It is not only that the Honourable Members may not give this information but according to the rulings of Presidents the action taken by them in such cases has been that if any paper or press gives out the information beforehand, then the privilege that is given to them to be present in the press gallery may be taken away

Mr President That is why I addressed myself to the press and the Members and I appeal to them, and I hope that, in future we shall not have a recurrence of this kind of thing

BUSINESS PROFITS TAX BILL

The Honourable Mr Liaquat Ali Khan (Finance Member) Sir, I move

'That the Bill to impose a special tax on a certain class of income be referred to a Select Committee consisting of Mr P J Griffiths, Mr Geoffrey W Tyson, Khan Mohammad Yamin Khan, Khwaja Nazimuddin, Mr Muhammad Nauman, Haji Abdus Sattar Haji Ishaq Seth, Mr K C Neogy, Mr Manu Subedar, Diwan Chaman Lall Mr Vadilal Lallubhai Shri Mohan Lal Saksena, Prof N G Ranga, Shri Satya Narayan Sinha, Mr M R Masani Sardar Mangal Singh, Mr N M Joshi, Mr Shavax A Lal Sir John Sheehy, Mr C W Ayers and the Mover, with instructions to report on or before the 14th March, 1947 and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five"

Yesterday, whilst speaking on the debate on the general discussion of the budget, I made a reference to this Bill I also stated in my budget speech that as regards additional taxation for the coming year the most important proposal was a levy of a special income-tax of 25 per cent on business profits exceeding one lakh of rupees This Bill, about which I have just now moved the motion is designed to give effect to that proposal Sir, having come to the conclusion that the greater part of the gap between the estimated expenditure and the estimated revenue for next year at the existing level of taxation should be filled by direct taxation, it seemed to me that I had to choose between the re-imposition of the excess profits tax some other form of tax on business profits Only in some such way I felt we could get a larger amount of the money that was needed to fill the gap to a certain extent, though not fully I decided against excess profits tax because I think that whatever may be its merits as a war-time measure, it is a bad tax in present conditions It puts too high a premium on success and too high a penalty on failure in the pre-war years, although success may not have been due to efficiency and failure may have been due to causes beyond the control even of the most efficient management The result was an inequitable discrimination in favour

[Mr Liaquat Ali Khan]

of businesses with a good pre-war standard In addition the method of giving allowances for increased capital was entirely artificial as large allowances were made for accruing profits which never became embedded in the capital structure of a business In view of these defects, I decided in favour of a tax which would treat all businesses alike on the basis of the magnitude of the profits made with a sufficiently high abatement to bring small businesses outside its scope

The salient features of the tax which I am proposing, and as I am sure the Honourable Members must have noticed, are

(1) It is a tax which relates only to the profits of the year 1946-47 It will require further legislation to extend it beyond that period, and if next year it is considered by the Finance Member that there was need for such a tax, then the Finance Member will have to come to the House and get the sanction of this House before this tax could be made applicable for next year's profits

(2) It is imposed at a flat rate of 25 per cent on business profits above one lakh of rupees

(3) Business profits include the profits from any profession or vocation assessable under Section 10 of the Income-Tax Act The justification for this inclusion is that large profits which some professions have made have been due to increase in profits in commercial concerns, and therefore I feel that there is no justification to exclude such profits from this tax which I am proposing

(4) Income from investments and other property shall only be included in certain cases, such as Banks or investment companies

(5) Deficiencies of profit will be allowed as in excess profits tax This provision will of course operate only to a very small extent unless the period of the tax is extended

(6) Profits from life insurance business are exempt

(7) For the purpose of the tax, the profits of individuals from the different businesses may be aggregated This equitable provision will enable us to cope with a form of evasion with which we are familiar in administrating the excess profits tax

(8) Lastly, the amount of tax shall be deducted in computing total income for income tax and super-tax

For the rest the Bill is based on the same model as the excess profits tax and especially with regard to procedure

I have purposely suggested a Select Committee consisting of representatives of every section of this Honourable House I hope that in the Select Committee we will be able to examine this Bill in greater detail, and I have no doubt that I will be able to satisfy the Honourable Members of this House and the Members of the Select Committee that the tax that I have proposed will in no way diminish production in this country

Sir, I move

Mr President Motion moved :

"That the Bill to impose a special tax on a certain class of income be referred to a Select Committee consisting of Mr P J Griffiths Mr Geoffrey W Tyson Khan Mohammad Yamin Khan Khwaja Nazimuddin, Mr Muhammad Nauman Haji Abdus Sattar Haji Ishaq Seth Mr K C Neogy Mr Manu Subedar, Diwan Chaman Lall, Mr Vadilal Lallubhai, Shri Mohan Lal Saksena Prof N G Ranga, Shri Satya Narayan Sinha, Mr M R Masani Sardar Mangal Singh, Mr N M Joshi Mr Shavax A Lal, Sir John Sheehy Mr C W Ayers and the Mover, with instructions to report on or before the 14th March, 1947, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five"

Mr Manu Subedar (Indian Merchants' Chamber and Bureau Indian Commerce) Sir, we are obliged to the Honourable the Finance Member for giving us the general background and we all feel that the best thing to do would be to discuss the details in the Select Committee In view of that we do not propose to discuss some of the matters which he has mentioned

Mr. President. The question is

That the Bill to impose a special tax on a certain class of income be referred to a Select Committee consisting of Mr P J Griffiths, Mr Geoffrey W Tyson, Khan Mohammad Yamin Khan, Khwaja Nazimuddin, Mr Muhammad Nauman, Haji Abdus Sattar Haji Ishaq Seth, Mr K C Neogy, Mr Manu Subedar, Diwan Chaman Lall, Mr Vadilal Lallubhai, Shri Mohan Lal Saksena, Prof N G Ranga, Shri Satya Narayan Sinha, Mr M R Masani Sardar Mangal Singh, Mr N M Joshi, Mr Shavax A Lal, Sir John Sheehy, Mr C W Ayers and the Mover, with instructions to report on or before the 14th March, 1947, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five "

The motion was adopted

INCOME TAX AND EXCESS PROFITS TAX (AMENDMENT) BILL

The Honourable Mr Liaquat Ali Khan (Finance Member) Sir, I beg to move

That the Bill further to amend the Indian Income tax Act, 1922, and the Excess Profits Tax Act, 1940, be referred to a Select Committee consisting of Mr P J Griffiths, Mr Geoffrey W Tyson, Khan Mohammad Yamin Khan, Khwaja Nazimuddin, Mr Muhammad Nauman, Haji Abdus Sattar Haji Ishaq Seth, Mr K C Neogy, Mr Manu Subedar, Diwan Chaman Lall, Mr Vadilal Lallubhai, Shri Mohan Lal Saksena, Prof N G Ranga Shri Satya Narayan Sinha, Mr M R Masani, Sardar Mangal Singh, Mr N M Joshi, Mr Shavax A Lal, Sir John Sheehy, Mr C W Ayers and the Mover, with instructions to report on or before the 14th March, 1947, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five '

Sir, most of the provisions of this Bill consist of amendments to the Income-tax Act in order to make capital gains taxable On the merits of the proposal I need only repeat what I said in my budget speech that as there is in my opinion stronger justification for taxing capital profits than for taxing ordinary income, since they represent unearned increment, this lacuna in our legislation should be filled I notice that the proposal has already been attacked as detrimental to the development of industry I hope that in the course of the discussions the critics will be able to elucidate this point, since it passes my comprehension how the proposal can adversely affect a productive industry in any way, for productive industry is or should be interested in the profits from production and not in the profits to be obtained from selling out to somebody else I hope that we will be able to examine this in greater detail in the Select Committee and I would therefore welcome any enlightenment on this point from any quarter

The scope of the proposed tax is confined to property other than agricultural land and to actionable claims in respect of such property It does not for example, cover profits or losses from betting on horses or playing cards but it does apply to dealings in shares or commodities or in futures, which are exempt under the present law as casual profits unless they are derived from a business, profession or vocation The profit will be treated as arising when the capital asset is sold, exchanged or transferred but the distribution of assets on the partition of a Hindu undivided family, or on the dissolution of a firm or association or on the liquidation of a company or under deed of gift, bequest, will or transfer or trust, will not be treated as a sale, transfer or exchange of the assets The tax will be leviable only when the assets are disposed of by the recipients

In computing the amount of the capital gains the actual cost and other necessary expenditure will be allowed as a deduction and in addition where the asset became the property of the assessee before the 1st January 1939 he has the option of substituting for the actual cost the fair market value of the asset on that date The object of this option is to exclude from the scope of the tax any increment in value which accrued before the conditions which are now prevalent set in

[Mr Liaquat Ali Khan]

For the purpose of the rate of tax the Bill divides capital gains into two categories—those arising from an asset possessed by the assessee for two years or less and those arising from an asset possessed by him or her for more than two years This distinction roughly follows the distinction made in the United States of America between short term and long term capital gains In the case of the former the full rates of income tax and super tax will be levied, while in the case of the latter only income tax and not super tax will be levied This distinction however does not apply to companies since they do not pay super-tax at graduated rates In order to avoid unnecessary trouble for the Assessees and the Income Tax Department, capital gains and losses totalling Rs 5,000 in any year are excluded from the scope of the Bill It is felt that this sum is sufficiently high to exclude the great majority of petty personal transactions, which are hardly within the proper scope of a tax on capital gains And with regard to this particular matter I stated yesterday in my speech that some of the Honourable Members had expressed the view that this limit of Rs 5,000 was too low and I said at that time that when we are considering this Bill I shall be prepared to consider the question of raising the limit to any reasonable figure

It is obvious that provisions for taxing capital gains and allowing capital losses might very easily result in a loss instead of a gain to the revenue For human nature being what it is losses are apt to be claimed and profits con cealed We have met this difficulty by providing that capital losses can be set off only against capital profits In that way we are secured against a net loss in any particular case

The Bill also proposes amendments to the Income tax Act, mainly in order to allow as a deduction for excess profits tax terminal expenses and losses on trading of stocks incurred after the date on which the Excess Profits Tax ceased to have effect These provisions implement a previous undertaking to provide appropriate relief when the time came to wind up the Excess Pro fits Tax

There is one other Excess Profits Tax Act amendment which I should mention and that is the indefinite extension of the time limit of five years which the Act now prescribes as the period within which assessments can be reopened This provision is necessary in order to secure that Excess Profits Tax is levied on persons who are properly liable to Excess Profits Tax but who have so far avoided Sir, I move

Mr President The question is

That the Bill further to amend the Indian Income tax Act, 1922 and the Excess Profits Tax Act 1940 be referred to a Select Committee consisting of Mr P J Griffiths, Mr Geoffrey W Tyson Khan Mohammad Yamin Khan, Khwaja Nazimuddin, Mr Muhammad Nauman Haji Abdus Sattar Haji Ishaq Seth Mr K C Neogy, Mr Manu Subedar, Diwan Chaman Lall Mr Vadilal Lallubhai, Shri Mohan Lal Saksena, Prof N G Ranga Shri Satya Narayan Sinha Mr M R Masani Sardar Mangal Singh, Mr N M Joshi, Mr Shri A Lal Sir John Sheehy Mr C W Ayers and the Mover, with instructions to report on or before the 14th March 1947 and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five "

Mr Manu Subedar (Indian Merchants Chamber and Bureau Indian Commerce) May I suggest that the Honourable the Finance Member should provide a copy of the explanatory remarks and the comments which he has now made to the Members of the Select Committee so as to enable them to study the matters before they attend the meeting of the Select Committee?

The Honourable Mr. Liaquat Ali Khan Yes, Sir, I shall do that

The motion was adopted

TAXATION ON INCOME (INVESTIGATION COMMISSION) BILL

The Honourable Mr Liaquat Ali Khan (Finance Member) Sir, I beg to move

That the Bill to provide for investigation into matters relating to taxation on income be referred to a Select Committee consisting of Mr P J Griffiths, Mr Geoffrey W. Tyson, Khan Mohammad Yamin Khan, Khwaja Nazimuddin, Mr Muhammad Nauman, Haji Abdus Sattar, Haji Ishaq Seth, Mr K C Neogy, Mr Manu Subedar, Diwan Chaman Lall, Mr Vadilal Lallubhai, Shri Mohan Lal Saksena, Prof N G Ranga, Shri Satya Narayan Sinha, Mr M R Masani, Sardar Mangal Singh, Mr N M Joshi, Mr Shavax A Lal, Sir John Sheehy, Mr C W Ayers and the Mover, with instructions to report on or before the 14th March, 1947, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five '

Sir, with regard to this particular matter, I made a reference in my budget speech to the appointment of a Commission of Enquiry and I notice that as far as I have been able to judge, there is no difference of opinion in the House on this particular matter The object of this Bill is to set up a special Commission of three persons to investigate with special reference to taxation the great accumulations of personal wealth of which there has been so much evidence in recent years This may be considered by some as a drastic measure But it does not appear to me to go beyond what is warranted by the circumstances In my budget speech, I gave figures showing that in a period of five war years, out of a total income of Rs 1½ crores only Rs 21 lakhs would be left after taxation It is therefore on the face of it impossible to believe that the great fortunes of which we have evidence were amassed from profits on which they had paid the full share of taxation Here then is something which merits investigation in the public interest I will no doubt be told that this is properly a matter for the Income tax Department and should be left to them The answer to that is that it is obvious from the results that the Income tax Department has not been able to cope with the situation This is no reflection on the Department since it has to work within the restrictions of the existing law and is virtually powerless against evasion which it cannot establish by satisfactory proof before the appellate authorities It is therefore because the Income tax Department is unable to cope with the situation that I am proposing to set up this Commission with full powers to get at the truth It is my sincere hope that as a result of the Commission's labours we shall be able to get both the approval of this House to a strengthening of the Income tax law and a more enlightened public opinion on the question of tax evasion

The Bill, Sir, is a short one and its provisions are adequately explained in the Notes on the Clauses I need not therefore repeat what is contained in the Bill But I would like to refer to clause 8 in particular which gives the Income tax Department powers to assess at any time profits which the Commission find to have escaped taxation At present there is a limit beyond which the Income-tax Department cannot go This clause provides for the removal of any limit on that account To my mind this is a very necessary proviso

Sir, I have moved for the same personnel for all the three Committees, my object being that as all these proposals are interconnected in a way it would be better if they were examined by the same members of the Select Committee

Shri Sri Prakasa (Benares and Gorakhpur Divisions Non Muhammadan Rural) You perhaps thought that others have no knowledge of these matters

The Honourable Mr Liaquat Ali Khan: Sir, I do not know about the others, but as far as my friend is concerned he has none

Mr President: The question is

"That the Bill to provide for investigation into matters relating to taxation on income be referred to a Select Committee consisting of Mr P J Griffiths, Mr Geoffrey W. Tyson, Khan Mohammad Yamin Khan, Khwaja Nazimuddin, Mr Muhammad Nauman, Haji Abdus Sattar, Haji Ishaq Seth, Mr K C Neogy, Mr Manu Subedar, Diwan Chaman Lall, Mr Vadilal Lallubhai, Shri Mohan Lal Saksena, Prof N G Ranga, Shri Satya Narayan Sinha, Mr M R Masani Sardar Mangal Singh, Mr N M Joshi, Mr Shavax A Lal, Sir John Sheehy, Mr C W Ayers and the Mover, with instructions to report on or before the 14th March, 1947, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five"

The motion was adopted

TRADING WITH THE ENEMY (CONTINUANCE OF EMERGENCY PROVISIONS) BILL

Mr. President: The House will now proceed with the further consideration of the Bill to provide for the continuance of certain provisions of the Defence of India Rules relating to the control of trading with the enemy and enemy firms and the custody of enemy property. Shri Sri Prakasa was in possession of the House last time. Clause 1 of the Bill is under consideration.

Shri Sri Prakasa (Benares and Gorakhpur Divisions: Non-Muhammadan Rural): Mr. President, Sir, when the House adjourned late in the evening on Thursday I was trying to impress upon it the extreme desirability of not expressing by words, either spoken or written, by signs or visible representation or otherwise any idea that we in India are at war with any other country or that we regard any country as an enemy of ours. Sir, as is clear, this Bill seeks to continue some of the provisions of the nefarious Act, miscalled the Defence of India Act, and worse than that Act the rules that were made thereunder, in order, among other things, to throttle the patriotic sentiments of the people of the land. At the peculiar stage at which we stand today, it would be most dangerous for us to regard any country in the world as our enemy. I tried to explain that day, unfortunately to little purpose, that after the declaration of His Majesty's Government that India is to be free from June 1948 onwards, it is most essential that we must today proclaim to the world that she never was at war with any country and she is not at war with any country and that she does not intend to be at war with any country. To describe any people as an enemy is fraught with the greatest danger for our own peace and security in the future and for the adjustment of our relations with the peoples of the world. I ask members of Government who are the sponsors of this Bill, to tell me who are our enemies.

You will see that the schedule under this Bill refers to various sections of the Act or various rules made under that Act and they are all in the present tense. The rules are not in the past tense. The rules do not refer to the countries that were at war with His Majesty's Government in the ages past. They refer to the countries which are at war today. I should like therefore to know what those countries are which are at war with us. The Government of India has the ugly habit of getting at war with the neighbouring tribes on the Frontier. The Finance Member is quite willing to place an enormous sum at the disposal of the army to take care of itself, and the army finding nothing better to do, goes and bombs the Frontier, and when a motion of adjournment is moved in the House, the same Finance Member is not present in his seat to vote for the Government that has done that deed. He feels embarrassed at the results of his own action.

I, therefore, say, Sir, that it would be risky, it would be dangerous, under any pretence or in any form, to declare to the world that any peoples are our enemies. We will require the friendship, the affection, the cooperation and the active support of all countries whether they were or were not at war with His Majesty the King of England. We in India have been at war with England herself for the last 200 years, but today after that declaration of 20th February, I am willing—and I have no doubt every one else in the country is willing—to obliterate all the pages of history that speak of the wrongs that have been done to us. We are not only willing to delete the pages of history that deal with the misdeeds of Clive and Hastings, we are even willing to forget the misdeeds of Willingdon and Linlithgow whose words still burn in our hearts and the marks of whose lashes are still left on our backs. When we are willing to forget the wrongs of all these persons, how much more must we not forget any wrongs that any other peoples may have done to those who have been our rulers in the land. To ask me to regard Japan as an enemy will ..

Mr. President. May I point out to the Honourable Member that the motion before the House is that clause 1 of this Bill stand part of the statute This clause deals with Short Title, Extent and Commencement The Honourable Member appears to speak against the present enactment as a whole The difficulty which I feel is this After the House has adopted all the other clauses, to speak against the whole enactment as such becomes irrelevant, so far as consideration of clause 1 is concerned The Honourable Member has tabled some amendments I do not know whether he wishes to move them now or not but the scope here is very much limited and if he wants to attack the measure and oppose it, the more proper and appropriate occasion will be when the Honourable Member in charge moves that the Bill be passed He could have spoken at length in opposition to the Bill at the consideration stage That stage has passed and the clauses have been adopted and now it is difficult for me to see as to how the Honourable Member can be permitted to oppose the Bill as a whole when clause 1, is before the House

Shri Sri Prakasa I will abide by any decision that you may take, but I will, with your permission, explain the exact situation This Bill suddenly came up before the House at a late hour that afternoon None of us expected that it would come up Of course we ourselves are to blame for that, but it did come up and though I tried my best to checkmate Government in its design by speaking on the measure as a whole on its first reading, the debate was not kept up by my friends unfortunately Then came the second reading when my Honourable friend the Deputy President was in the Chair He put one clause after another Then when he came to clause 1, he was good enough to permit me to speak, and I spoke up to 6 o clock, so that we could shoot in amendments if we like for today

Now, this word to which I strongly object happens to appear in clause 1, and it does not appear in other clauses luckily Therefore I thought that this was the occasion when I could show my own inimical tendencies to the word "enemy" Now, Sir, I am not at all interested in finding a name for the Government's baby This particular clause refers to the naming of the Bill So, even if the baby has the body and all limbs complete, and if it has not got a name, it would not be recognised in the world, and my purpose will be served So I am trying to obstruct the Bill here If however the Government have some constructive proposals to make and if they can convince me that the word 'enemy' can be deleted from the section without harming their Bill, I am willing to accept it, but I will not, as far as I constitutionally can—I do not intend to use any violence—permit this word 'enemy' to be put in this Bill If you want me to speak at the third reading of the Bill at some length, I am prepared to do even that, but I thought that I would finish all that I had to say while speaking on this section because that nefarious word appears in it I shall abide by your ruling

Mr. President: I appreciate the position of the Honourable Member and may even go the length of sympathising with him Even then the result will be that I shall have to ask him to keep within the scope of the motion before the House The speech that he is making now with reference to the motion at present before the House is irrelevant To my mind, the better course would be to oppose the Bill when the motion "that the Bill be passed" is before the House

Then, I might point out to him another difficulty The Schedule contains the word 'Definitions' and all these are definitions under the Defence of India Rules

Shri Sri Prakasa: This is a peculiar Bill There is no clause of Definitions at all

Mr President: There is a Schedule to the Bill which the Honourable Member might see That Schedule states 'the provisions of the Defence of India Rules continued in force' and serial number 2 therein is 'Definitions'

Shri Sri Prakasa. If you will permit me, Sir, I will call your attention to just that very clause It refers to the second rule in the Government of India Defence of India Rules The Government is very careful to omit clause 1 which defines the word 'enemy' You may have a look at it Rule 2 of the Defence of India Rules contains many definitions and clause 1 contains the definition of 'enemy'

Mr President I shall invite the Honourable Member's attention to serial number 6 '97 Definition That is retained Does he agree there?

Shri Sri Prakasa I agree there But when the original framers of the Rules thought it necessary to define this word at two places, I do not understand why the Government now wants to define it at one place only

Mr President That is a different argument The word 'enemy' is defined by Rule 97 which says ' For the purposes of this Bill, the expression 'enemy' means'' and then follows the definition The word 'enemy' thus occurs there and Rule 97 is to continue in force It appears that Rule 97 is a definition for a restricted purpose and perhaps therefore Rule 2 gives a wider definition Whatever the objects of the Government may be—and I am not here to interpret them—, I merely point out to the Honourable Member the difficulty of allowing him to speak now at length over the clause which is at present before the House Does he wish to move his amendment that the word 'enemy' be put in double inverted commas?

Shri Sri Prakasa If you think that I cannot proceed further with my main objection to the clause itself, then I will move my amendment Will those double inverted commas give me enough scope to finish my speech?

Mr President That will make no difference

Shri Sri Prakasa Then I will move my amendment

Mr President: But it is necessary for the Honourable Member to move that amendment? There is already capital 'E' there in the word 'Enemy'

Shri Sri Prakasa: Sir, the Honourable the Finance Member has already expressed his opinion about my intellectual capacity and I have no hesitation to accept his verdict

Mr. President: The Honourable Member can move it if he so likes

Shri Sri Prakasa: Sir I move

That in sub clause (1) of clause 1 of the Bill the word 'enemy' be put within double inverted commas ''

Inverted commas, single or double, have a definite place in English literature and at different places they give definite indications of certain meanings They are used when something is quoted or when the words within inverted commas are used not in their ordinary sense but in a special sense We all put words within inverted commas when we want to indicate to the reader that they are being used in a special or technical sense and not in the ordinary sense I take it that when the Honourable the Commerce Member put the words 'enemy' and 'enemies' within single inverted commas in his Statement of Objects and Reasons, he must have had some purpose That purpose definitely was that 'enemy' does not mean an enemy in the accepted sense of the word but just in the technical sense, namely, those countries that were at war with England in 1939 to 1945 As the Statement of Objects and Reasons will not form part of the law as it is finally enacted, I propose that the inverted commas be carried on to the main Act And for doing this I have also the support of the European group who may be expected to know English better than I can ever be expected to know it (Honourable Members Question ?) One of the Members of that

Group did suggest the other day that by putting the word enemy' within inverted commas in the main body of the Act, my purpose would be served I have taken the cue from him, and as the law is being written in their language, I take it that they are correct in their interpretation of the use of inverted commas I therefore, hope that the House will accept my amendment and put the word 'enemy within inverted commas

Mr President Amendment moved

That in sub clause (1) of clause 1 of the Bill, the word enemy be put within double inverted commas

The Honourable Mr I I Chundrigar (Commerce Member) Sir, there are several Acts wherein certain words and phrases used often are defined The words and phrases defined are put in inverted commas in the definition clause, but not in the other provisions of the Acts of Legislature I cannot understand what difference it will make if the word enemy occurs there without inverted commas or, in the alternative, it occurs with inverted commas As I explained on the last occasion when the Bill was under discussion, we are not at war now with any country If it had been so the matter for Government would have been to negotiate and arrive at an arrangement by which hostilities may cease Today hostilities have already ceased and the main object of this Bill is to regulate certain transactions and to regulate the disposal of certain properties of persons and firms of countries which were at war These properties are now in the possession of the Custodian of Enemy property Steps are being taken to dispose of these properties Indians had considerable property in those countries whose nationals have these properties in India The idea is that with the sale of properties of these firms and individuals we may take steps to compensate those Indians who lost properties in countries which were at war If my Honourable friend, Shri Sri Prakasa desires that Indians who have lost property as a result of war by destruction or otherwise in those countries

12 Noon

Shri Sri Prakasa Or by taxation

The Honourable Mr I I Chundrigar. You have not to pay tax there - then it is for him to make up his mind and tell those Indians, ' Oh! you have lost your property in Japan or Germany It is all right, but you will not be compensated by the properties of the nationals of these countries in India ' If that is the gesture that he wants to make to a foreign country, he can oppose the Bill

Pandit Balkrishna Sharma (Cities of the United Provinces Non Muhammadan Urban) He only wants to put double inverted commas

The Honourable Mr I I Chundrigar That, I say would be bad drafting I think this measure does not mean that we bear any ill will against the country as a whole All that we want is that there should be orderly disposal of certain properties in accordance with rules and it is to legalise these arrangements after the 24th March 1947, that this legislation has been brought before the House With the double inverted commas, this clause would read as follows

> This Act may be called the Trading with the "Enemy" (Continuance of Emergency Provisions) Act, 1947 "

We had formerly a similar Ordinance with the same wording We had the Defence of India Rules wherein the double inverted commas were not used I do not want any complications to arise The point before the House is this If there is any loophole in this legislation, the advantage of that loop hole is not going to accrue to any Indian, but the advantage will accrue to the nationals of other countries who would protest against the forfeiture of their property in India

Shri Sri Prakasa In fact complication will arise, if the double inverted commas are not inserted, because on page 20, item 97, under 'definitions', the word 'enemy' is put within double inverted commas it says, for the purpose of this Act the expression "enemy' means etc Sir, some legal luminary might get up and say the word enemy here without double inverted commas does not mean the same as the enemy with double inverted commas in the definitions I am really helping the Honourable Member by moving my amendment, in order to avoid all future complications by putting the word "enemy" within double inverted commas

The Honourable Mr I I Chundrigar I am afraid the Honourable Member is referring only to the definition clause where the words are within inverted commas

Shri Sri Prakasa I want to point out

Mr President Let there be no interruption Let the Honourable Member urge his plea

The Honourable Mr I I Chundrigar In view of the above considerations I oppose the amendment

Mr President The question is

That in sub clause (1) of Clause 1 of the Bill the word 'enemy' be put within double inverted commas

The motion was negatived

Mr President The question is

That clause 1 stand part of the Bill

The motion was adopted

Clause 1 was added to the Bill

Mr President About the other amendments of the Honourable Member Shri Sri Prakasa, I may say that his first amendment for the insertion of a new clause after clause 1, tries to define the word 'enemy' He tries to do the same thing in a different manner in his alternative amendment In each of these amendments, he is trying to define the word 'enemy' Now, the definition of the word 'enemy' having been passed by the House, in the Schedule, these amendments are out of order

Shri Sri Prakasa. The Schedule has not been passed

Mr President. Clause 2 was passed and the Schedule which forms part of clause 2 was passed along with it

Shri Sri Prakasa: The Schedule is generally put to the House and passed only after all the clauses are put to the House and disposed of Has the present schedule been passed as a sort of interim arrangement?

Mr President: The schedule is linked with clause 2 and the moment clause 2 is put and passed, the schedule also is passed by the House The Honourable Member can verify this from the proceedings This disposes of his other amendment to the Schedule

Shri Sri Prakasa: I wish to submit that if there has been any technical mistake, the same may be corrected in order to avoid all international complications What I mean to say is that there the definition declares various enemies at war at the present moment, though the Honourable Member had been at pains to explain that he is not at war with any country But the definition says there are some countries with which he is waging war I only limit the law just to those countries that waged war during a particular period I think the Government should at least meet me half way and accept this amendment

Mr President Of course the Honourable Member's motive might be a laudable one I do not know anything about it But the difficulty is that he is

trying to seek, by this amendment, to modify a previous decision of the House That is the difficulty Therefore it would be out of order Similarly also the proposed amendment to the Schedule will be out of order as the Schedule as it is has been passed by the House

Shri Sri Prakasa: I move

' That in the preamble to the Bill for all the words occcurring after the words 'trading with , the following be substituted, namely

States, and persons and firms belonging to States who were at war with His Britannic Majesty in the years 1939 to 1945, and the custody of the property belonging to them', '

States, and persons and firms belonging to States who were at war with His Britannic Majesty in the years 1939 to 1945, and the custody of the property belonging to them',"

Mr President. If the first amendment is not accepted, then he cannot move the alternative amendments, Nos 2 and 3 I am afraid the substance of all the three is the same If the first is rejected, then the two other alternatives will be rejected by implication He may move all the three if he likes

Shri Sri Prakasa. I will confine myself to the first which I have moved just now I want the Preamble to read as follows

Whereas it is expedient to provide for the continuance of certain provisions of the Defence of India Rules relating to the control of trading with States, and persons and firms belonging to States who were at war with His Britannic Majesty in the years 1939 to 1945, and the custody of the property belonging to them "

Sir, certain Members of Government were kind enough to ask me to speak to the learned and Honourable Secretary of the Legislative Department and see if he and I could come to terms in this matter The Secretary of the Department, as is not unusual with high officers of State, tried to patronise me for a few minutes and said that he was sympathetic to my susceptibilities and that I need not get agitated or excited over these things And then, also, as is usual with such officers of State, he laid down the law and gave me an ultimatum and said that the only thing he could do was to take away the words "relating to the control of trading with the enemy and enemy firms and the custody of enemy property " Humble as I am, I was unable to agree, and I said that I would accept his challenge, he had his ultimatum and I would have mine

If it were a happier day and a good bit of Government were not so framed that the opposition has to go with them, we might have had a greater chance of success Today it seems the Legislative Secretary will have his pound of flesh But I am not prepared to accept his verdict nor am I prepared to agree with him that all my susceptibilities will be satisfied if those words were taken out of the Preamble I want the Preamble definitely to state what the Honourable the Commerce Member has said he means He says he does not mean any state that is at war, at the present moment, with his Majesty I do not know what other States are at war, except the trans frontier tribes He has also assured us that he does not mean any State that may be at war with His Majesty in the future If so, why cannot we in the Preamble fix the countries we are referring to? And I think if my amendment is accepted all the purposes for which I have been trying to obstruct the work of the House will be satisfied

I may respectfully point out to the Legislative Secretary that taking out the words that he suggests will leave the Bill rather bald, because without any reference in the Preamble to what is following the sudden emergence of the enemy in clause 1 will sound strange to all those except himself who are familiar with the drafting and interpretation of law Therefore, Sir, whether the Secretary does or does not accept, I hope the Honourable the Commerce Member will not abide by the ultimatum that was given by the Secretary to me, and that he will see the justice and the reasonableness of what I am presenting to the House and accept my amendment The change

[Shri Sri Prakasa]

in the Preamble will do no end of good and will improve the Bill, it will fix Governments liability, define Government's purpose, and save us from the many complications which I fear will arise

Some of my friends may laugh but he laughs best who laughs last, and when a war does come about it is not a laughable matter Persons in a hurry, specially when they occupy Government benches, commit countries to disastrous wars by just such little mistakes, and then they have not to face the difficulties they create Supposing a war did take place what harm will come to the Legislative Secretary? Nothing He will continue to sit where he is, but the rest of us will be taxed, will be sent to the war, will have to undergo endless pains and penalties because of the fault of the gentlemen who sit with Government I think, Sir, that we should no more allow ourselves to be lugged into difficulties and dangers of this sort

If we had our way we would have kept clear of the war in 1939 We tried our best but did not succeed, on the contrary Government declared war on us and shut us up We do not want all these things to be re-enacted We want that in the future the countries of the world should feel that they are at peace with us and that we are at peace with them All that we want to tell them is that owing to certain complexities for which we were not responsible, a situation has arisen in which certain properties of our nationals have to be dealt with in a certain way in certain countries and therefore we are compelled to have a law like this That is the purpose of the Honourable Member, he has no other purpose in bringing forward this Bill And I see no reason why this simple amendment of the Preamble that explains everything should not be accepted I do hope he will accept it and that my esteemed, respected and Honourable friend, Mr Rajagopalachari, who has had a hand in the framing of this will come to my rescue and support me in my endeavours to get this amendment passed

Mr President Amendment moved

That in the preamble to the Bill for all the words occurring after the words trading with the following be substituted

States and persons and firms belonging to States who were at war with His Britannic Majesty in the years 1939 to 1945 and the custody of the property belonging to them

The Honourable Mr I I Chundrigar Sir, I oppose the amendment

Mr Shavax A Lal (Government of India Nominated Official) Sir, my Honourable friend Mr Sri Prakasa referred to me and in his own jocular way called it an ultimatum It is nothing of the kind and I am sure the House will not take it in the literal sense My Honourable friend seems to be under a clear misapprehension When he confines the Preamble to countries with which His Majesty was at war between 1939 and 1945 he is—I am sure inadvertently—excluding Germany and Japan from the scope of the Bill because the international law is that until final peace treaties are signed with the countries with which we were at war we continue to be at war What has ceased are the hostilities and not war, and therefore if the Preamble were only to refer to countries with which we were at war between 1939 and 1945, it will automatically be excluding Germany, Japan and countries like that with which we have not yet signed Peace Treaties I am sure that is not the intention of my Honourable friend and that is why I said if he were so keen about not using the word 'enemy', you might omit the word That will not do any harm the specific provisions of the Bill are there I myself would not suggest that amendment, but if we were to accept the amendment as suggested, it will defeat the whole object

Mr Sasanka Sekhar Sanyal (Presidency Division Non Muhammadan Rural) I am afraid, Sir, the Honourable the Secretary of the Legislative

Department in trying to clear up the matter has complicated things In the first place, my good friend, Mr Sri Prakasa, has not been properly understood, in the second place, my Honourable friend, Mr Lal, has replied to one part of the question raised by Mr Sri Prakasa

Mr Sri Prakasa in his humorous way has mooted a point which is very serious In the first place the Bill is not a temporary measure, it is a permanent enactment on the Statute Book, and it will affect the relations of this country with those countries for all time to come unless in the meantime the law is revised Therefore what will be the position of this country if sooner or later new hostilities start in which Great Britain is involved? We do not know what is our status if that contingency should arise In the second place, what Mr Sri Prakasa wanted to do was to give an impression to the outside world that we are not determining our legal relations with certain countries as if we were their enemies Somehow or other the interests of India and Indian nationals have got involved in this affair, and therefore it is a sort of a necessary evil that we are going through as a transitional measure because there is no other and better measure in order to square up relations for some time to come Mr Lal was referring to the question of omitting or incorporating That does not answer or settle that question at all Today what is our position? We have enunciated our foreign policy The Government of India is trying to put itself in action as a sort of an independent country in embryo In their recent declaration, His Majesty s Government has clarified our position a little further

Mr President Order, order The Honourable Member will realize that the object of the Preamble is to state in short and specifically the scope and the object of the particular legislation It is not that we want to define our entire foreign policy in this Preamble The only question, therefore, will be whether, in view of the provisions that are contained in the clauses, the Preamble is really a correct summary thereof What the policy should be in respect of the legislation and clauses, which the House has accepted, is entirely different I find that the discussion is going into a channel which is outside the scope of the motion before the House Whatever may be the object of Mr Sri Prakasa, I cannot permit on this amendment to the Preamble a general discussion as to what the foreign policy of India should be The Honourable Member must address himself to the point as to whether this Preamble broadly speaking correctly depicts the character and the nature of the provisions which are included as clauses in this Bill

Mr Sasanka Sekhar Sanyal I am grateful to you for that The point I was trying to make is that this amendment of Mr Sri Prakasa is a representation of the ideas which were set forth by the Honourable the Commerce Member himself He means to say that if it is the intention of the Government to determine certain relations which were brought about by the exigencies of war—not because certain countries were at war with us but because certain countries were at war with Great Britain—this purpose would be better conveyed by the amendment which has been proposed by Mr Sri Prakasa

So far as the other question is concerned, since you have indicated that at this stage this need not be discussed I will reserve that for the future stage of this Bill, and for the time being I submit that at least those sections of the House who have followed Mr Sri Prakasa's argument are convinced that the purpose of the Bill should be conveyed in a language which should not give any scope for wrong interpretation, and I hope that the Honourable the Commerce Member, despite the reply which was given by Mr Shavax Lal, will rise to the occasion and accept this amendment

The Honourable Mr I I Chundrigar If the amendment is altered slightly, I may be in a position to accept it I would suggest the omission of the word 'Britannic'

Mr. President: I am afraid Mr Sri Prakasa will not be inclined to treat that as a verbal amendment

The Honourable Mr. I I. Chundrigar If the idea is to suggest that the war was with His Majesty, I am prepared to convey that idea provided the amendment is slightly altered

Shri Sri Prakasa How will it read?

The Honourable Mr I I. Chundrigar It will read like thus

'Whereas it is expedient to provide for the continuance of certain provisions of the Defence of India Rules relating to the control of trading with States, and persons and firms belonging to States at war with His Majesty and the custody of the property belonging to them"

Shri Sri Prakasa I fear the Honourable Member thought it was 'Satanic' and not 'Britannic'! I take it he proposes to remove the words 'in the years 1939 to 1945'

Mr President The Honourable Member will appreciate the legal position as pointed out by the Secretary, Legislative Department, and that is that, even though actual hostilities have ceased in terms of International Law, so long as Peace Treaties are not signed, these countries are at war even today And therefore his point was that if these specific years are put in, then it means that we are not at war today

Shri Sri Prakasa. My difficulty is this As things are, there never will be a peace They are not going to follow the precedent of 1918 They are not calling the defeated countries to the Peace table They are determined to impose something on these countries, I protest against that position If there were any possibility of England being reasonable and America being reasonable and really wanting to sign treaties of peace with these countries, I would have no objection but this is going on till the Greek calends We will have to decide on judgment day!

Mr President That object still cannot be achieved by any amendment to the Preamble It should be sufficient for the Honourable Member that he has taken advantage of this opportunity to express himself very clearly and that may be conveyed to the Governments concerned!

Shri Sri Prakasa I shall be satisfied if the Honourable Member can guarantee conveying the proceedings of this House to all Governments concerned

Mr. President In respect of that, I can promise him that this debate will be published!

The Honourable Sri C. Rajagopalachari (Member for Industries and Supplies) The Honourable the Commerce Member has explained the position I am rising to explain it to those who still feel unsatisfied about it The position is this The point that has been put forward very rightly, though with a lot of humour, by the Honourable Member who moved this amendment, has been met by the proposal as modified by the Member in charge It is this The descriptive part is changed to "States, and persons and firms belonging to States at war with His Majesty " Therefore the sentiment about India not having been consulted in declaring war is to the extent that it is morally necessary and useful, protected But the legal position is somewhat complicated and has to be provided for also The legal position is that the peace treaties that are now in course of being concluded will have to be awaited We cannot alter conditions and terms of the treatries by a simple preamble here

With regard to the protection of our own moral position, it is met by the phrasing suggested by the Honourable Member for Commerce, namely, "States and persons and firms belonging to States at War with His Majesty and the custody of the property belonging to them "

The reason for omitting the word "Britannic' is to leave no room for ambiguity about our own international position in the matter

With regard to the dates in qualifying the words "enemy and enemy firms ' deletion is necessary because until treaties are signed they must be supposed to be at war So, I submit that the mover of this amendment might wholeheartedly accept the alteration proposed by the Honourable Member for Commerce and this may be passed without a division

Shri Sri Prakasa I am used to agreeing with my Honourable friend for the last 25 years I will agree with him even today

Mr. President I think the best course will be to withdraw this amendment and he may move his amendment in a modified form Or I might put it deleting those words

Shri Sri Prakasa· Could the Honourable Member agree to "have been instead of "are"

Mr. President: Neither ' are" nor "were" The simple expression is "at war" The question is

That in the preamble to the Bill for all the words occurring after the words 'trading with', the following be substituted, namely

States, and persons and firms belonging to States at war with His Majesty and the custody of the property belonging to them',"

The motion was adopted

Mr President· I shall now put to the House the amended Preamble and Title

Shri Sri Prakasa: There will be consequential changes in the Title also There again the enemy crops up his head

Mr. President· The title does not seem to require any consequential changes

Shri Sri Prakasa· When we, in the Preamble, have taken away the words "enemy and enemy firms" which are repeated in the title Surely the Title must be changed accordingly?

Mr. President. The same words might be taken here in the Title as we have taken in the Preamble The Honourable Member implies that as an amendment and he may now move it

Shri Sri Prakasa· I would like your assistance in the matter and move

"That in the title after the words 'trading with' the following be substituted, namely

'States, and persons and firms belonging to States at war with His Majesty and the custody of the property belonging to them' "

Mr. President· The question is

"That in the title after the words 'trading with' the following be substituted, namely

'States, and persons and firms belonging to States at war with His Majesty and the custody of the property belonging to them' "

The motion was adopted

Mr. President: The question is

"That the Preamble and the Title, as amended, stand part of the Bill "

The motion was adopted

The Preamble and the Title, as amended, were added to the Bill

Mr. President: After the acceptance of these amendments there is very little scope for discussion

The Honourable Mr. I. I. Chundrigar: Sir, I move

"That the Bill, as amended, be passed "

Mr. President: Motion moved

"That the Bill, as amended be passed "

Mr Sasanka Sekhar Sanyal My friend, Mr Shri Prakasa has agreed to a sort of compromise I do not know whether he has felt happy about it, but I have not Of course the spirit of reciprocity has been welcome But we have landed ourselves in complications which we wanted to avoid When we entered into the compromise I did not like to look an obstructionist One of the bad features of the Bill is that it is a permanent measure and now what ever has been done was in respect of past relations But after the amendment of this Preamble, we know the law covers not only the past and the present, but extends its hands over the future also Great Britain is in a very chaotic condition today for aught we know Great Britain is on the one hand trying to make friends with India On the other hand it is making calculations for new enemies At any time Great Britain may be involved in war and the law as it stands now after the amendment of the Preamble, although the political status of India by that time will improve and change considerably, still by the law which we have been passing today, we shall be dragged as a wheel in the charriot of British imperialism The Preamble as it stands says 'States and persons and firms belonging to States at War with His Majesty ''

(Interruptions)

I know everything will be changed after the Constituent Assembly If that is the answer, all legislation should be stopped and kept in abeyance What is the use of discussing things on the floor of the House When we legislate we must legislate with reference to the existing context of things

I maintain with all humility that this Bill creates a wrong impression out side As I was saying, we have started our foreign policy We have declared that no one is our enemy We are extending the hand of fellowship to others and we are welcoming their hands of fellowship But we are describing ourselves in terms of enemies But I know that certain obligations have been thrown on our shoulders when we make relationships without taking recourse to the words A simple device would have sufficed In this Bill the Government should have provided for the rule-making power as it is done in almost all other legislations and under the rule making power the Government could have laid down that the provisions of this law would be made applicable in respect of our relations with those countries which may be mentioned under this power We could have mentioned Germany, Japan or any damned country which has been at war with the Allies and at the same time we would have made our attitude clear

Pandit Balkrishna Sharma: Sir, on a point of information, may I ask if the use of the word 'damned' is parliamentary?

Mr Sasanka Sekhar Sanyal. Even if the President does not rule that it is parliamentary, I withdraw the word and substitute in its place 'blessed'

I maintain that our purpose would have been amply satisfied if we could have made our legislation without using the words 'enemy' and 'enemical' The Government could have mentioned these countries under the rule-making power

Mr. President The Honourable Member has already taken an unduly long time

Mr. Sasanka Sekhar Sanyal: Whatever may be the purpose of this Bill (and I do not make any reflection upon anybody or any department), when we are beginning to think in new terms and in a new diction, our legislation should also be drafted consistently with the new times and in new diction

Shri Sri Prakasa: Sir, I share the disappointment of my Honourable friend Mr Sanyal, but as the ancient injunction is

"Sarva nashe samat panne
Ardham tyajati panditah,"

("when there is the danger of losing everything, the wise man lets half of it go") So, though compromises always leave a certain amount of dissatisfaction, they have to be entered into My own great malicious satisfaction, however, is that my Honourable friend the Legislative Secretary as well as the Commerce Member can themselves not be satisfied

The Honourable Mr I I Chundrigar I can tell the Honourable Member that I am quite satisfied

Shri Sri Prakasa The Honourable the Commerce Member placed a challenge before me and asked me if I was prepared to lose the property of our nationals in various countries which he would now be able to salvage with the help of this Bill I was willing to accept the challenge When we sacrificed the lives of those who died in this war (a war that was not of our seeking), what does it matter if a few rupees, annas and pies are also lost I am particularly concerned to know—and I will repeat my feelings—that the Government of India are still at war with Japan and Germany, because of some technical difficulties These are the two countries against which we did not want to wage any war To regard Japan as an enemy of India at any time would be to go against the verdict of history, and ever since the great days of 1904 and 1905, when Japan vindicated the right of the Asiatic peoples to be free in this world that was being mercilessly divided among the European nations, since that time Japan has been to us in India and in many other Asiatic countries, a great ideal Today she is lying low, low under the blows of the atom bomb, low also under the heel of the American Imperialism that is rising But we of India have never regarded Japan as an enemy and will never regard Japan as our enemy, for she is our spiritual child she got her culture, her civilisation and her religion from us, and today we are not going to throw that great child of ours into the gutter We are going to salvage her and save that country if we can

Then I come to Germany It is surprising that England and Germany should ever be at war, because the modern Englishman has Germans as his ancestors, if I have read history aright It is the Germans who went and colonised England and the English men of today are their direct descendents It is surprising how England and Germany are always at war So far as our connection with Germany is concerned, it is fairly intimate, and we of India cannot be sufficiently grateful to her for having made us proud of our own past If English historians have helped us to know a great deal of our ancient history, it is Germany that discovered for us the beauties of our literature and our philosophy, and therefore for us to declare Germany as an enemy would be a most dangerous and ungrateful act

I am sorry that under the terms of this enactment these two countries continue to be at war The peculiar complications that have arisen in the international sphere do not warrant us to hope that there would be a peace which would enable us legally to declare that we are no more at war, if the interpretation of international law by the Honourable the Legislative Secretary and the Commerce Member is correct Sir, it is best that though not a part of the enactment—and as you rightly declared it cannot be made a part thereof—it is good that we at least had a chance of ventilating our feelings and declaring to the world that we are at peace with it, and every country that is on earth today is from today regarded as our friend, and we call upon all, whether there is this enactment or not, to come to help us in the trying days that lie ahead of us

Miss Maniben Kara (Nominated Non-Official) Sir, I did not intend at all to speak on this occasion I listened with great interest to the amendments moved by various friends and found that this occasion is being utilised to give vent to their feelings on a question on which I have got equally strong feelings which I would like to advocate at this stage There are people and parties in this country who did not regard

Mr. President. Does the Honourable Member want to go into the principles of the other question? If so, I cannot permit that She has to speak with reference to the Bill only If she wants either to support or oppose the Bill, she can do so The principal objection of the previous speakers was that they did not like Germany and Japan being regarded as enemies and that has relevance to the subject, but it is not any other kind of philosophy or principles which are open to discussion on this question

Miss Maniben Kara Sir, I will speak precisely to the point To say that India was never at war with either Japan or Germany is on the face of it a misstatement of facts

Several Honourable Members. No

Miss Maniben Kara I say India was at war with Germany and Japan India was not defended by a mercenary army as is stated but by millions and millions of the people of India and as such they have a share in winning this war I may be that the major political parties did not gain everything that they wanted out of this war

Several Honourable Members: Question

Miss Maniben Kara. Don t you have your independence as a result of this war? Is not the National Government as a result of the victory over the Axis Powers? You may deny that India was at war with Japan and Germany but in actual fact India was at war with Japan and Germany

Several Honourable Members No

Miss Maniben Kara And as one of the nations that contributed to the defeat of the Axis Powers India has a rightful claim to say that she took her legitimate place in defeating Fascism and wiping it out of the face of the entire world and she can rightly take credit for the same (Interruption) I would not be ruffled I may be alone and a single person in the whole House but I will not be ruffled by some of the Members in this House trying to shout me down Though it may be a solitary voice I want to make it known that we were the people who always told that India should take her rightful stand in defeating Fascism and Imperialism To say that British Imperialism is alive is not to know the facts Imperialism means extra money to individuals of these countries Britain is no more imperialist Britain is a friend of India It is a socialist Britain now Let us put away this racial prejudice and let us consider what we want to do for our country We are today still at war with Japan and Germany, that is with those people who still want Fascism in their country We are the friends of the people of Japan and Germany But we are the greatest enemies of the Imperialist regime of Japan and Germany even today If there are certain sections in this House who still want to be friendly with them I can only tell them that if we are free today from foreign domination it is because Britain is no more an Imperialist country and Britain would have continued like that had she not entered this war Britain has fought our battle and we have shoulder to shoulder fought and freed the entire world I absolutely disagree with the sentiments which have been expressed by my various friends in this House and I take this opportunity of making the public and the world know that there was at least one solitary voice in this House that stood by Britain and stood for the defeat of Fascism in the world

The Honourable Mr. I. I Chundrigar: Sir, the criticism levelled by the two Honourable Members, Mr Sanyal and Mr Sri Prakasa may lead some persons to imagine that the motion before the House was whether we want to make a declaration of war against some countries or whether we should continue to be at peace with them Let me assure my Honourable friends that that is

continue to be at peace with them Let me assure my Honourable friends that that is not the motion before the House and that is not the object of the legislation which is placed before the House As I mentioned before, the only object of this legislation is to regularise and legalise certain dealings with properties of certain individuals The object, there again, is to make such use of the properties of nationals of certain other countries who were at war with His Majesty in a manner such as would give some sort of a return to those Indians who have lost enormous properties abroad If the House approves of that legislation regarding the dealings with those properties, I think there should be no opposition whatsoever to this measure Not only are we not considering at this stage the question of a declaration of war on those countries but I may go a step further and say that we are not even at present passing any motion approving of the declaration of war made in the past We are dealing with an existing situation and we are considering the question as to how certain properties should be dealt with

Mr Sanyal mentioned that instead of putting the provisions before the House a section should have been introduced in this Bill conferring a rule-making power on Government to deal with the properties of the nationals of Germany or Japan in a particular way Instead of doing so we have taken a more straight forward course Instead of keeping you in the dark we have placed the legislation in clear terms before the House, and we have explained the object of the legislation

Then Mr Sri Prakasa mentioned that we should try to save Japan Here again, as I say, we are not dealing with the question of the Peace Treaty to be signed with Japan That would be a matter for the Peace Conference It would not be entirely within the powers of the Indian delegate to the Peace Conference to negotiate a Treaty which may be beneficial to Japan But that is a subject which is not before the House

Lastly, Miss Kaira raised certain issues which I would submit, Sir, are entirely irrelevant for the consideration of the House at present I would therefore leave them alone

I hope that Honourable Members of the House would accept my motion because, so far as the merits are concerned, not a single Member has opposed the measures which Government wants to take for the purpose of dealing with these properties

Mr President: The question is

"That the Bill, as amended, be passed"

The motion was adopted

ARMED FORCES (EMERGENCY DUTIES) BILL

Mr G S. Bhalja (Government of India Nominated Official) Sir, I beg to

That the Bill to enable duties in connection with vital services in an emergency on the Armed Forces of the Crown be taken into consideration

Sir, the Defence of India Rule 81(3) empowered the Central Government to direct the employment of troops subject to the Indian Army Act or the Indian Air Force Act in any undertaking essential to the life of the community The Defence of India Rules expired on the 30th September 1946 The Government of India are advised that the present legal position in regard to the employment of troops is as follows

[Mr G S Bhalja]

It is lawful to order troops or naval or air force personnel to carry out essential services only for a military purpose, or if such a condition of affairs has arisen—(*mark the words*)—that the safety of the community and the existence of the Government and its authority are in danger, *and* to save the community the Government has decided to entrust such vital services to military administration and control

It will be realized, Sir, that these are very stringent conditions and it is doubtful whether the courts of the country would hold that these conditions have been fulfilled in such cases for instance is the use of troops for the maintenance of electric power, water and sewage in a large city, or the unloading of ships carrying articles of food The following, Sir, are the main occasions on which troops had to be employed during the year 1946 The House is aware that a general strike of Posts and Telegraphs employees began on the 29th July 1946 The Government of India considered that the safety of the community and the existence of the Government and its authority were endangered thereby and they authorised the use of troops anywhere in India to save the community Troops were, however, only to be employed for the maintenance of essential services, assistance being limited to operating telegraph circuits, maintaining telephone exchanges and repairing tele communications It was pointed out to all concerned that assistance should be confined to the absolute minimum necessary for the maintenance of Government machinery and the health and wellbeing of the community Then,

1 P M

Sir a strike was resorted to by the workers of the Vizagapatam Port from the 15th May 1946 The Vizagapatam Port deals with military as well as civil cargo and it was considered essential that military assistance should be rendered The employment of troops was therefore authorised to carry out essential public utility service in the precincts and the establishment of the port Then again the transport workers of Bombay went on strike from the 18th July 1946 The Government of Bombay found it impossible to get contractors' labour to carry on the work as they were in sympathy with the strikers The Provincial Government considered that unless military assistance was forthcoming stocks of grains would not be available in grain shops on the next day as the existing stocks would have run out by then and as no alternative means of transport was available they requested the Government of India to sanction the employment of troops to maintain essential services The Government of India thereupon agreed to the employment of troops to carry out the distribution of essential foodgrains in Bombay

Again a strike of dock workers began in Madras about the 14th February 1946 The Principal Administrative Officer received a request from the Food Department for military assistance for the unloading of food ships lying immobilised at Madras due to the strike The use of troops was therefore authorised as it was felt that this was necessary in the interests of the safety of the community A strike occurred of the stevedores at Karachi from the 7th January 1947 Military assistance in the handling of essential foodstuffs was considered necessary and this was authorised by the Defence Department In February this year again the Food Department requested that the use of troops be authorised in two cases arising out of the strike of dock labour in Calcutta, firstly the removal of a consignment of rice and oats and secondly the unloading of ships due to arrive with fresh consignments of wheat The Government of India considered that both these works were essential to the life of the community and stated that military assistance would be confined to the handling of foodgrains only The use of troops was accordingly authorised for this limited purpose

Sir, the Defence Department have been receiving requests from other departments of the Central Government and from Provincial Governments for the loan of military personnel from time to time and it is necessary to lay down precisely the circumstances in which such personnel should be employed

I said yesterday and I repeat today that ordinarily the soldier intensely dislikes being called upon to intervene in civil commotion, particularly of a communal nature, or in industrial strife. It, however, the State calls upon him to enter upon this unpleasant task, his is not to reason why' as the Poet has said. He does his job with firmness and impartiality. In such circumstances, however, it will be readily conceded, I hope, by all sections of the House that there should be full legal protection whenever troops have had to be called out for such assistance. However unpleasant the call may be, the Defence Department must be prepared to render whatever assistance the other departments of the Central Government or the Provincial Governments require, provided that the calls for assistance is permissible under the law. It is for this House to decide whether they should give the necessary powers to the Central Government to permit the use of troops for the maintenance of services which are considered to be of vital importance to the community.

Sir, there is no sinister motive behind this Bill. Let not the cry be raised that it aims at trade unionism or the right of workers to strike. Nothing of the sort. It is not the intention of the Bill to permit the use of troops to break strikes. I may mention that after every great upheaval there is considerable labour ferment and it is not unexpected to find that after the termination of hostilities the same phenomenon is to be found all over the country now. While Government do not wish to take away the strike weapon which is valued by labour, they cannot look on with complacency when the life of the community as a whole is threatened. While they wish to preserve the liberties of all sections of the community, they cannot allow one section to coerce the rest. The powers they seek are to be exercised only on rare occasions when it is found that some vital service to the community will be paralysed. The Defence of India Rules permitted the use of troops for any undertaking considered essential to the life of the community. The Bill seeks to restrict the use of troops to a service which may be considered to be of vital importance to the community. I hope it will be agreed that unloading of ships carrying foodstuffs will be considered vital to the life of the community. The House is aware that the other day we were faced with a threat of a strike by the employees of the Delhi Electric Supply and Traction Co. Fortunately the strike did not materialise but assuming for a moment that it had materialised, what would have been the result? This city would have been plunged in darkness, the water supply rendered inadequate and seriously jeopardised and the health of the city would have been imperilled. Now Sir would that not be a proper occasion for the employment of troops? That is for the House to decide.

It may be contended that the Bill confers wide powers upon the executive Government. In a sense it does so, inasmuch as it gives discretion to the Government to declare a particular service as vital to the community. Sir the country and the House expect—and they have a right to expect—great things from this Government. They expect them to provide adequate supplies of food for the population. They expect them to ensure the necessities of life like water and light, they expect them to maintain the health of the country, they expect them to maintain the transportation system of the Government in an efficient manner, they expect them to maintain the communications of the country in a working order, and so on. If so, they must also give them the necessary powers to carry out these responsibilities. There is no reason to apprehend that the wide powers sought in this Bill would be abused. This Government consists of men who are the trusted Leaders of the Parties that have co operated in forming the Government of the country. They claim to be responsible and responsive to this Legislature by convention though not under law.

[Mr G S Bhalja]

I should add in the end that India is at the moment passing through the most momentous period of her history In about 15 months she will be a complete master of herself A few days ago the Honourable the Finance Member made an observation which evoked response from all sections of the House He said that the transference of power from the British Government to the people of India should take place in a peaceful manner It is essential that during this transitional period our Government at the centre should be strong and efficient They must have adequate powers to maintain services vital to the community, so that they are not deflected from the task of assuming complete control over the administration The House, I submit, can safely trust them with the powers proposed to be given in the Bill

Mr President Motion moved

"That the Bill to enable duties in connection with vital services to be imposed in an emergency on the Armed Forces of the Crown be taken into consideration"

Miss Maniben Kara (Nominated Non Official) Sir, I move

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st March, 1948"

Sir, this is a very small Bill, but it is a very dangerous and mischievious Bill I do not understand why Bills of this nature which are affecting the lives of hundreds and thousands of workers should not be circulated for getting the opinions of the workers, the trade unions and various other bodies I also have not been able to appreciate the hurry with which this Bill has been brought for consideration and immediate passing It has been explained by the Mover of the Bill that this Bill gives wide powers to the present Government for intervening in civil in disputes This is a serious matter It is not a matter on which the present Government can just take things in hand, bring forth a Bill and, even without circulating it pass it on the same day It certainly takes away the right of the workers to strike, because it has been pointed out that not on one occasion but on nearly seven or eight occasions the Provincial Governments did ask the military to be used in a strike between the employers and the employees

Sir, military is essentially for the defence of the country The function of the military is not to interfere with the civilian disputes I was surprised because I was myself not aware of it that on so many occasions as has been pointed out by the Mover of the Bill the military was called for Now, if that is the position and if the military is going to be used so frequently as that, then certainly I feel that there is no need for such a hurry with which the Honourable Member seeks to pass this Bill

Mr G S Bhalja May I, Sir, interrupt the Honourable Member on a point of explanation? I explained that the legality of the use of troops on the occasions which I have mentioned was considered to be doubtful by the legal advisers of the Government and that is why the Bill has been proposed

Mr President The House may now adjourn for Lunch and the discussion will be carried on later

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

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The Assembly re assembled after Lunch at Half Past Two of the Clock, Mr President (The Honourable Mr G V Mavalankar) in the Chair

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Miss Maniben Kara Sir, this Bill is suppressing the liberties of the workers It is a repressive measure Only very recently in this House we passed the Industrial Disputes Bill That amply safeguards the interests of employers It has now become very difficult, practically impossible for the working classes

to declare a strike or even to go on strike But it seems that the Government of India are not satisfied with the passing of the Industrial Disputes Bill, but that they are out to have more powers so that in case of a dispute between the employers and the employees, the armed forces may be called and utilised as black legs Sir, the Honourable Mover of the Bill has brought forward the argument to say that the troops are called in only in case where a public utility demands it My reply to him will be that all these measures have been safeguarded in the Bill you have recently passed Remember, Sir, that even the passage of that Bill was done in spite of the opposition not as individuals like Mr Joshi or Mr Guruswami or myself, but as three of us representing three central labour organisations of this country We may be here only as one or two individuals, but we represent a certain interest and I would therefore appeal that any suggestion coming from my Honourable friend Mr Joshi or Mr Guruswami or myself is not to be taken as opposition by one or two or three individuals but that is the expressed opinion of organised labour in this country After all what am I asking for? I am asking that a Bill of such vital importance should be circulated for eliciting public opinion Let the public know what it is I do not understand why a Bill of this nature where you want to have the use of the armed forces for civil disputes should be considered of such vital emergency and importance that it cannot brook any delay even in accepting an amendment which seeks only to elicit information from the public and seek to elicit opinion of those people to whom this Bill is of vital importance You want troops to be utilised as black legs Let us call a spade a spade In ordinary industrial disputes, employers make every attempt to bring in outside people who are known as black legs, but as civilians the workers have an approach to these people who are their brethren The workers can picket at the gate, the workers can go to their homes, the workers can hold meetings, they can explain their difficulties to their brethren who may be misguided and who may be wanting to act as black legs But in this case, the workers have no approach to members of the armed forces, the armed forces have no contact with the civilians It is not therefore possible for the workers to have contact with those people who will be called upon to act black legs during the strike period Sir, Government not only want to bring in troops but they also reserve the right to declare any service as a service of vital importance, and as an illustration the Honourable Mover has given us several instances where troops were called in He has mentioned the Posts and Telegraphs strike, the strike in Vizagapatam, the transport workers strike in Bombay, strikes in Madras and Karachi, the dock workers' strike in Calcutta He has also said that the strike in the electricity department of the P W D would have left the inhabitants of New Delhi in darkness It is just for that very reason that it is important and necessary that workers in these industries should be so placed in life that they will not desire to go on a strike in order to improve their condition, you cannot bring in measures that will create unrest That is not how a national Government is expected to proceed I am indeed very much grieved that even in this short period Bills have been brought forward in this House like the Trade Disputes Bill, the Rent Control Bill the Press Emergency Bill and now The Armed Forces Emergency Bill Sir, I am not one of those who wish to judge the Government of India for things which they have not yet done I know that they have not been in power very long, and they have been asking for more time I do not therefore say that they have not been able to bring down heaven on earth and for that I criticise them, but I would be perfectly justified in criticising them for what they have done and what they are doing

Sir, I have just mentioned that in this short period Bills curtailing the civil liberties of the people and Bills which are considered to be repressive measures have been brought forward in this House I warn Government to try to bring

[Miss Maniben Kara]

forward Bills which would improve the lot of the workers and the common man, which will create confidence among the people of the country in the present Government. By bringing in such measures and by not giving sufficient time to the people and the workers and their organisations they are unnecessarily creating a gulf.

Sir, the military is to be used for the defence of the country. Here whom do you want to defend? The workers have nothing of which you are so much afraid. You are defending a particular interest, you will say that the public is inconvenienced. But Sir, the workers are working in all the industries. In whichever industry the workers may resort to a strike the public is bound to be inconvenienced, and it is only when the public is inconvenienced that the public conscience is roused and the public is made aware of the miserable condition of the workers and their grievances. The workers have got no press or any other medium through which to ventilate their grievances, and it will certainly be a great violation of justice if Government are enabled to declare any industry as a vital industry and to bring in troops to suppress these workers. If it were a case of illegal strike or where the workers act in an irresponsible manner and are not law-abiding, they may of course be compelled to bring in the military. I can understand them acting there though I may not agree. But the Bill makes no such provision. It gives full power to Government to declare any industry as a vital industry.

Mr President: Any service, not industry.

Miss Maniben Kara: Any service may be declared a vital service, the service of sweepers has been mentioned as a vital service. If the municipal employees of a certain place go on a strike it may be a perfectly legal strike and they may have satisfied all the conditions imposed by law to bring in troops would result in these people acting as black legs.

Sir, I also want to bring in another point. Remember that the recruitment in the army is made from the common people and the peasants. Why do you want to have the army used against their own brethren. There may be some peasant revolt or uprising, why do you want these people in the army to go against the interest and the struggle of their own brethren who may be fighting for better conditions of living? In the transport service I specially remember a strike of the bus drivers in Bombay. Certainly no one will be justified in saying that at that stage the armed forces should have been brought in, the public would certainly be inconvenienced if there is a strike. In other words it amounts to this that the Government of India somehow or other do not want that there should be any strike in the country. If you can bring in measures by which you can improve the condition of the workers surely I also would not desire strikes. But the Government of India today are not in a position to satisfy the demands of the people on the one hand and on the other hand they want measures to suppress the only thing they have in their hands namely, a strike. I can tell you that in Bombay but for that bus strike no one in the whole city would have known about the terrible conditions in which the bus drivers live there. Because the public was inconvenienced for a day or two they began to inquire what the trouble was, and I am glad to say that as a result of the strike their right demands were granted. And that would not have happened if they had not gone on strike. I may also tell you that when in Bombay the military people were employed to drive these buses the civilian people did not use these buses. They boycotted the buses they preferred to walk but they did not make use of the buses. This is the mentality. You are unnecessarily creating a gulf between the public and the workers by bringing in such measures whereby you are taking extraordinary powers in your hand. The public of Bombay had great sympathy with the people who were on strike. I also remember that there was a serious accident in which one child was hurt or killed—I do not remember—because those

people who were engaged were not used to driving in cities Similarly, at the time of the strike in the Docks, the Army is called, and they are asked to work Will you tell me whether they are in a position to do such jobs? Besides they do not like to do this, they know that they are working against the interests of their own brethren But by bringing forward such Bills you are forcing them to act against their will

Lastly, I would like to utter a word of warning to the Government Do not make the conditions difficult even in the Army Army is maintained for the defence of the country do not bring in things which the Army will not respect Let us not utilize the Army for any other purpose except for the defence of the country If the Army is going to be used when there is a dispute between the employer and the employees on the plea that it is a service to the public, that will be a violation of the principle on which we are maintaining that Army

With these few remarks, I would appeal to the Member in charge of the Bill to accept my very simple amendment that the Bill may be circulated for eliciting public opinion We will be able to consult various trade unions, and other organisations, because you will admit that this Bill widely affects the lives of the people—workers in industries, workers in factories dock workers, and workers in various other establishments Would you be justified in hurrying through a Bill of such importance I had a talk with the Defence Secretary with regard to this Bill and he said that they were very keen about it I am very particular, Sir, that we are given an opportunity to consult the trade unions and other organisations before passing this legislation I also had a talk with the Honourable the Labour Member because I feel that these various departments must work in consultation with each other—I suppose they do

Mr P J Griffiths (Assam European) They never do

Miss Maniben Kara Because it affects the conditions of labour I expected the Honourable the Labour Member to influence the Defence Secretary not to rush with the Bill

There are amendments standing in the name of Mr Joshi also That shows that we are rightly interested in this Bill, and we are very anxious that due consideration should be given, and I am sure if you will accept our amendment we will be able to come to some understanding and the Bill will be unanimously passed by this House

Mr President Amendment moved

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st March, 1948"

Mr Sasanka Sekhar Sanyal (Presidency Division Non Muhammadan Rural) At this stage I beg for the indulgence of the House to give expression to some of the misgivings that this Bill has created in the minds of the public On a rough reading the Bill looks like mobilization of the Army for purposes of meeting strike situations with the aid of the Defence of India Rules which are going to expire This either visualizes a state of war or itself declares a state of war, and I, for myself, do not think that the situation in the country is such as to call for a declaration of war either way

In the first place, Sir, I would ask my Honourable friend the Defence Secretary as to why it has been found necessary to go back to the Defence of India Rules at all After all the Defence of India Rules have not left a very happy memory on the country at large It is not a very sacred legacy of the Government which have left I take the cue from my Honourable friend, the Defence Secretary, himself He made appropriate references to the personnel of the present National Cabinet and I believe all the time he did not forget that the majority of the elected members of this House were

[Mr Sasanka Sekhar Sanyal]

faced with a challenge by the last Government and the Defence of India Rules which were then oft-used and the most convenient weapon in their armoury, were used against the nation's demands As a matter of fact the majority of elected members of this House have had the taste of the Defence of India Rules and even the Cabinet is composed of some illustrious persons of this country who also had to be dealt with under the Defence of India Rules So far as they are concerned, and so far as the Chair is concerned, this thorn of the Defence of India Rules came as a blossoming flower for the nation But when we discuss any problem *vis a-vis* the present or the future situation of the country, before we make a resort to the Defence of India Rules, we must be sure that we have exhausted all other methods Granting that the situation which has been contemplated by my Honourable friend, the Defence Secretary, is such that it calls for an emergent legislation of this description, may I ask him in all humility was it not possible for him and for us to bury the Defence of India Rules completely and to go into the question in the light of legislation pure and simple What is the point in extending the life of a measure which is running out? Why was it not possible to sit down and consider the questions as ordinary problems of legislation so that an ordinary Bill, without the heritage of the Defence of India Rules, could be prepared? Was it not considered necessary or sufficient?

Then, Sir, the other question,—agreeing with my Honourable friend that there may be situations in the country which might necessitate the rushing of personnel for be it maintaining of essential services, be it electricity, sanitation, or water connection,—the question that worries me is, if it is a social problem, why is it that such a measure is not made applicable to the civil personnel of the Government also? Why should it be necessary to impose this service on the Armed Forces alone? After all if in New Delhi the electricity fails, or water connection is broken, or if the sanitation is in danger, it is a common problem, and it is a problem for the citizens at large, and if it is to be tackled, I maintain that it is as much the concern of the civil personnel of the Government as of the military Now, Sir, my learned friend, the Labour Member seems to have been taken by surprise I will put this question without confining himself even to the civil personnel of the Government If really extraordinary measures have to be adopted for assembling some people for particular purposes, will that necessitate calls for the assembly of persons from all over society? I could understand Sir, that the military [illegible] able to do things quickly But I cannot understand why the measure should be such as to make it applicable only to the country and not to other parts

The Honourable Shri Jagjivan Ram (Labour Member) But there is no restriction for others!

Mr Sasanka Sekhar Sanyal In the preface of the Bill it is said "Whereas it is expedient to enable duties " The word "enable" is misleading It is obliging the armed forces to undertake certain duties and this might as well have been extended to other Departments of Government Why is this obligation being imposed upon a particular branch of the Government machinery?

Mr M A F Hirtzel (Bengal European) May I ask the Honourable Member whether he is prepared to accept the extension of such duties to the Corporation of Calcutta?

Shri Sri Prakasa Or to the Members of this House!

Mr Sasanka Sekhar Sanyal Since my learned friend has made a reference to me, asking me personally, may I give this information to him and to the House that in the course of the last fifteen days I had been to my own station in a mofussil town in Bengal where there was a strike by the scavengers and

I had the pride and privilege of leading some of the Congress volunteers to do the scavengers' work So far as I am concerned, I shall be very glad to be treated as a successful bhangi than a successful legislator

Sjt N V Gadgil (Bombay Central Division Non Muhammadan Rural) You will be neither!

Mr Sasanka Sekhar Sanyal Therefore, I want my learned friend, the Defence Secretary to explain the attitude of the Government to this question because there is a great deal of force in the contention put forward by my friend, Miss Kara After all the Bill is there If it has to be, it will be passed We are here to pass the Bill because we are here to support this Government and we have made our position clear that if this Government leads us to hell, we will go to hell

Miss Maniben Kara We wont!

Mr. Sasanka Sekhar Sanyal If they do not go, then there is a worse place, because they will not be accommodated even in hell!

There is no use rushing a Bill to get a piece of legislation It is no use having a weapon in the armoury of Government It must be justified Government must convince us that there is no other weapon so handy As I submit, my friend, Miss Kara just referred to it She said, when this obligation is given to the army or to authority, it seems that for this purpose we shall use our armed forces as armies of occupation Here again the old flavour is coming in and we must not do anything, particularly in the Defence Department, which has for the first time come within the purview of the popular side of the Government We must not allow the Defence Department to do things in such a way as to bring in the old odour

We are going to raise our national army They must create confidence in the people If we hand over the situation or threaten to do so to the military, the reading is very clear The strikes and strikers will be there We may like them or we may not but we have to deal with questions arising out of strikers and strikes in a national way and not in a administrative way Therefore, I maintain that before the Honourable the Defence Secretary asks the House to vote upon his motion for consideration of the Bill clause by clause, he will make it clear to the House that the Bill is so necessary and so urgent that ordinary legislation could not be introduced that it has been necessary to bring back the unwelcome and unliked Defence of India Rules He will also make it clear why he wants to put upon the Defence Services the odium of being potential fifth columnists of Government or the capitalists when the situation of strikes and strikers arises Upon the explanation of these points, much will depend as to how we look at the Bill I for myself may say that I do not feel happy over this measure, particularly as my learned friend himself has anticipated criticism and comments and Miss Kara has very ably dilated on this point If he really means well by his own Government and he admits that he has taken pride of being in a National Government, he must look to the well being of the National Government of which he is a part

Mr. N. M. Joshi (Nominated Non-Official) In 1939 the Defence of India Act was passed I remember it was in one of the Simla Sessions of the Assembly I also remember that mine was the solitary voice raised against the passing of that measure I, Sir, opposed the Defence of India Rules even in 1939 because I felt that the powers given to the Government of India and the Provincial Governments were so drastic and so unrestricted that they were bound to create a danger for the civil liberties of the people of this country

Pandit Lakshmi Kanta Maitra (Calcutta Non-Muhammadan Urban) What Act was that?

Mr. President: The Defence of India Act

Pandit Lakshmi Kanta Maitra: Do not exclude us from that!

Mr N M Joshi Were you there?

Those powers were taken by the Government of India because they pleaded that those were the times of war and the Government of India needed those powers To me it seems now, Sir, after watching the flow of Bills, the stream of Bills which are being brought before this Legislature, based on the Rules of the Defence of India Act and being enacted in a hurry on the ground that the Defence of India Act will cease to operate from the 31st March—judging from the action of the Government of India in bringing forward these measures one after another I have a fear in my mind that the Government of India proposes to re-enact the whole of the Defence of India Act with all the Rules not in the form of the Defence of India Act but piece meal legislation, so that the House need not oppose that measure but Government may secure their consent on the ground that that was one of the few measures which the Government wanted to pass based upon the Defence of India Rules I want the Government of India to consider this very seriously whether it is their policy to rule this country not by securing the confidence of the people of this country but by securing more and more powers to suppress them? Even before the passing of the Defence of India Act this country was being governed somehow There used to be strikes, even in those days, and the Government of India somehow carried on The life of the community was not endangered Therefore the Government of India should consider whether when the war is over they need those powers given to them by the Defence of India Rules, even in peace time and if they need those powers they must make out a case how the conditions in India before 1939 have changed so drastically in 1947 that powers which were regarded to be drastic and special and only needed for the war should be taken even in peace times Sir, the Honourable the Secretary of the Defence Department should have compared the conditions before 1939 and in 1947 and showed us how without the Defence of India Rules and these drastic powers the life of the community was not endangered before 1939 in this country and why the life of the community is likely to be endangered in 1947 The Honourable Member, in my judgment has made out no case showing the difference between the conditions that prevailed before 1939 and in 1947 He told us one or two things regarding the present situation He said that there is unrest as a result of the war If there is unrest you have to pacify the people and not provoke them A wise government will take care to see that the unrest is not suppressed but the cause of it is removed by quieting measures That there is unrest in the country as a result of the war does not convince me that measures of suppression are necessary On the contrary, I feel that the measures of suppression which the Government of India are enacting are going to add to the unrest of the people and will not either pacify the people or even succeed in suppressing them

The Honourable Member also pointed out to us that fortunately for us we have now a representative government representing the Congress and the Muslim League

Sri R Venkatasubba Reddiar (South Arcot *cum* Chingleput Non Muhammadan Rural) What about the other representatives? It consists not only of Congress and the Muslim League but also of representatives of labour interest, the scheduled castes Indian Christians and others

Mr N M Joshi: I fully agree with the Honourable Member It is fortunate that we have now a more representative government or even if you like a government representing not only the Congress and the Muslim League but some other parties also I thought that that was an argument that one should have used to avoid such measures One can understand a bureaucratic government depending upon measures of suppression, the use of troops to pacify people But I find it a little difficult to understand why a Government

which is representative should not be able to pacify the people by other measures of securing peace in the country and not make use of the big stick or measures of suppression and repression

The Honourable Member also used another argument I did not catch him very fully but I thought that what he meant was that we are living in a time when we must strengthen the hands of the Government I do not know what exactly he meant by the time Perhaps he may say that we are living in times of transition, when power is being transferred from one kind of Government to another kind of Government and therefore the hands of the present Government should be strengthened This argument also does not appeal to me If in a transitional stage of the transference of power from one Government to another we have to depend upon the use of troops we are depending upon a broken reed Let me assure the Honourable Member that if revolutions are going to happen, they cannot be prevented by the use of troops Therefore it is much better for the Government of India to realise that in these transitional times their best remedy is to maintain peace by relying upon the confidence of the people for a peaceful transference of power It is that alone which in my humble judgment will enable the peaceful transference of power from British to Indian hands If the Government of India depends upon the use of troops for the peaceful transference of power, in my judgment, they are making a grave mistake The Honourable Member clearly stated and it is also mentioned in his statement of objects and reasons that it is not that the Government of India does not possess powers to use troops He is only doubtful whether the cases in which the Government of India have used troops to carry on what are known as essential services would be sanctioned by a court of law His own Statement of Objects and Reason makes it clear that when the life of a community is in danger or the authority of a Government is also in danger the use of troops can be made This is what is stated in the Statement of Objects and Reasons

'The Defence of India Rules having now expired it is lawful to order troops or naval or air force personnel to carry out essential services only for a military purpose or if such a condition of affairs has arisen that the safety of the community and the existence of the Government and its authority is in danger, and to save the community the Government has decided to entrust such vital services to military administration and control

When the life of the community is in danger the power is given to the Government of India to use troops Therefore the object of the Government of India is not only to carry on what are known as essential services when the life of the community is in danger but they want to use troops on occasions which are less grave than those mentioned in the Statement of Objects and Reasons Government do not make a secret of it that the conditions laid down under the present law are too stringent He wants to make use of the troops to carry on essential services oftener and not for the grave object of saving the life of the community but for lesser objects I feel, Sir, that the Legislature should know very well that on a grave occasion Government can make use of troops that is when the life of the community is in danger That is not questioned But the Honourable Member now wants to make use of the troops on occasions which are not as grave as the life of the community being in danger

Mr G. S Bhalja If I may interrupt the Honourable Member, it is not only when the life of the community is in danger but when the very existence of the Government is in danger There are two conditions The safety of the Community and the existence of the Government and its authority must be in danger and to save the country the Government must decide to entrust such vital services to military administration and control If these conditions are fulfilled then alone can the use of troops be said to be fully covered by the existing law

Mr. N M. Joshi. I understand that it is on grave occasions when the use of troops can be made to carry on essential services But you want now powers to use troops to carry on essential services on occasions which are not as grave as mentioned in your Statement of Objects and Reasons I feel, Sir, that the Legislature should not allow this to be done The grave danger which may exist is provided for I am not one of those who feel that there may not be any occasion at all to make use of the troops to carry on essential services Essential services may break down on account of natural causes, they may even break down on account of a strike To have power for making use of the troops to carry on the essential services the occasion must be really grave That grave occasion has been provided for under the present law I therefore feel that the Honourable Member has not made out any case why additional powers should be given to him When people are given powers and when they get used to the exercise of those powers it is not so easy for them to relinquish those powers Before the war they did not have these powers and they carried on the government of the country without much difficulty But during the war they got these powers and after having become accustomed to the enjoyment of these powers they are finding it difficult to relinquish them It may be that on account of the use of the powers our Government has become unnerved When a man does not possess power he tries to get things done without these powers somehow, by using proper means But when once he gets into the habit of using repressive powers he loses his capacity to deal with matters by other peaceful means, and he becomes so used to the exercise of these powers that he feels that without these powers he will not be able to carry on the administration I feel this is a weakness of every government from which government should protect itself and not become used to power Otherwise they will find after some days that the powers which they are asking today may not be sufficient Power, Sir, is like drink It exhilarates and stimulates But like drink you have to take larger and larger doses in order that that stimulation may take place I warn the Government of India that they should not allow themselves to get into the habit of depending upon power to keep peace in the country because if they do so they will require larger and larger powers with the result that in a few years' time there may not be any law book necessary at all and the Government will acquire to themselves all the powers which may not be put down in a law book I therefore suggest to the Government of India that in the first place they have got enough powers under the present law to save the community from danger and they should not now try to get more and more powers The Defence of India Rule said that they should have power to control any undertaking essential to the life of the community Now they say 'service of vital importance to the community' The word 'life' has disappeared I do not understand what the meaning of 'vital importance to the community' is Why should they have changed the wording 'essential to the life of the community'?

Mr G S Bhalja If I may interrupt the Honourable Member, if he would prefer that phraseology I would have no objection to substituting it

Mr N M Joshi I wanted to know why it has been changed

Mr G S Bhalja To make it more stringent than it is at present

Mr N M Joshi. By dropping the word 'life'? All right, Sir, if the Honourable Member is willing to make changes I shall give him an opportunity because I have an amendment on the agenda paper, and I would suggest to him to accept my amendment

The Honourable Member tried to make out a case for asking for these powers by telling the House about certain cases in which the Government of India had used troops to carry on essential services I do not wish to go into the history of all those six or seven cases which he mentioned I shall mention a very recent case that happened in Karachi He admitted that in Karachi they used troops to unload ships which contained food because food was so much necessary I want to ask the Honourable Member "Was that the only method by which food could be unloaded from the ships?" My Honourable friend Mr Sanval had asked 'Were there no patriotic citizens in Karachi who could have unloaded food from the ships if the porters in the dockyard refused to do so?" Why does not the Government ask the citizens to help them? Let Government learn to secure the co-operation of the public and not necessarily make use of the troops

Mr* Manu Subedar (Indian Merchants' Chamber and Bureau Indian Commerce) You want people to leave their other avocations of trade or practice in court and come for this purpose?

Mr N M Joshi My Honourable friend asks me whether the public should be asked to give up their ordinary avocations of trade, or practice in the High Courts, and unload ships I know very well why the Government of India uses troops I shall come to that point why soldiers were engaged to unload ships They were not engaged for that purpose They had another profession You take soldiers away from their profession and ask them to unload ships I know why you do it You do it because if you ask a lawyer or a doctor or a big merchant to go and help in unloading a ship, can he do it?

Sjt N V Gadgil Some of the labour leaders would be asked to do it

Mr N. M Joshi There is some kind of legislation on the statute book by which the working classes are compelled to do work under certain emergencies There are forest laws in our country, there are irrigation laws When any work is to be done under an emergency, the District Magistrate can ask the people to do that work Once I took it into my head to suggest to these District Magistrates—why not make a law by which any citizen could be compelled to work, when a forest is on fire or when a bund gives way and water flows into the field of people and destroys their fields That District Magistrate told me—do you think the jagirdars and I C S people can do the work It is for that reason that soldiers are impressed to do the work of an ordinary worker Certainly there is some justice in asking all people to do service to the community when the community is in danger but the Government of India cannot do it But for the Congress discipline, there will be many more speeches against such legislation

Sjt N V Gadgil Don't try that game

Mr N M Joshi Don't become nervous Learn to be patient You will learn better if you learn to be patient Let the Government try to make conscription compulsory for all citizens when the community is in danger We shall see what happens I therefore feel that it is wrong for the Government to make use of troops because the troops come from the working classes They are in the habit of working If you ask them to unload, they have not lost the capacity to do physical work

The Honourable Sari Jagjivan Ram Which class do you come from?

Mr N M Joshi I shall give you my whole history if you like

Mr President. That would be irrelevant

Mr N M Joshi It is for that reason I shall not give it It is wrong to make use of the troops I was referring to the history of the Karachi incident There the issue was that the porters working in the dockyard wanted a certain amount of wages which the stevedores or the people in charge of these porters were unwilling to give Therefore Government used troops to carry on the essential work The wages of the dock labourers in Karachi will not be more than Rs 30 or 40 My Honourable friend Mr S C Joshi if he had been here would have told you what is the monthly wage of these workers I had a talk with him when he returned from Karachi after settling the strike He told me that he has allowed Rs 3 as a daily wage The figure is misleading These people get wages for about ten days in a month with the result that the average wages are not more than Rs 30 or 40

Shri Sri Prakasa (Benares and Gorakhpur Divisions Non-Muhammadan Rural) What is the soldier's pay?

Mr N M Joshi The soldier gets rations at least Well, Sir, the employers were unwilling to give those wages Therefore the Government employed soldiers to take the place of the workers Was there no other remedy? If I had been the Government, I would have taken hold of the dock myself, have asked the contractors to remain quiet for some days and paid these men Rs 5 a day for at least 20 days in a month, so that they will get Rs 100 a month

The Honourable Shri Jagjivan Ram At whose cost

Mr N M Joshi I am quite sure that this dispute would have been settled without the use of troops There was another remedy You could have taken over the whole thing yourself and paid the workers what you thought was a reasonable wage I don't expect you to pay the wages which I would like you to pay but that was a remedy in your hands You could have assured the workers that hereafter they would get a proper wage and there would have been no need for the use of troops There are hundreds of ways in which Government can avoid the use of troops

Mr Manu Subedar Which officer knows the work to take charge of it?

Mr N M Joshi I know Government can carry on all sorts of work We are thinking, although you may not be thinking, of nationalising all our industries in this country

Mr Manu Subedar I don't object to it

Mr N M Joshi There will be some officers who will do the work of the nationalised industries These old arguments will not stand now at all We are running a railway system with 900,000 railwaymen Can they not run a dock? I am quite sure there will be no difficulty in taking over the docks at all As a matter of fact, in America, even today they do it They took over an industry like mining There are methods in which people outside who are unwilling to make use of the troops do it but we have become used to the use of troops for any purpose It is that which frightens me You become used to the use of troops whenever you are in a difficulty I would like the Government of India to try to learn to face their difficulty without the use of troops If they try, there will come a time when they, like me, will say that these powers are useless They are not needed We can run the Government without these powers It is for these reasons that I am opposed to this measure If the amendment of my friend Miss Kara is not approved, I shall certainly oppose the motion moved by my Honourable friend the Secretary for Defence

Mr Tamizuddin Khan (Dacca *cum* Mymensingh Muhammadan Rural) I am extremely sorry that I do not find myself in agreement with my friend Mr Joshi or Miss Kara, the representatives of Labour in this House At first I

thought that the members who were speaking against this Bill were not serious in their minds but now it appears that really they are advancing their arguments with a good deal of seriousness I was not surprised that labour representatives in this House stood up against this measure but what surprised me was when I found one of the representatives of the Congress also agreed with them Mr Joshi has asked what is the necessity of a measure like this? And he assumes that if you invest Government with these powers, they will misuse them They may have done so in the past but there has been a very great break with the past and that is what we forget We are not living in the past During the war everyone was saying that after the war we would find a new world A new world is being born,—that was on the lips of every one The war is now over and where is that new world? There is certainly a new world, but those who have not got the eyes to see do not see it The world has changed to a very great extent My Honourable friend Mr Joshi asked what is the difference between the conditions that existed in 1939 and the conditions that exist in 1947? Here, again, I would say that those who have got eyes to see are certainly seeing the change of conditions The war no doubt is over but the forces let loose by the war are still working in the world and I do not know how long it will take the world to get back its equilibrium We are still passing through abnormal conditions Therefore, I thought that Government was only doing the obvious thing when it was asking for powers like these If we say that Government will misuse these powers, what is it that is working at the back of our mind? When we say that it betrays a want of confidence in the Government Previously, there was an alien Government in the country and the people had hardly any confidence in that Government But now we cannot blow hot and cold in the same breath We claim that the present Government is a national Government, it is the people's government, and yet we are afraid of investing this Government with certain necessary powers That shows a contradiction in the minds of Members who take up an attitude like this I, therefore, think that no lengthy argument or discussion was at all necessary to support a measure like this

My Honourable friend Mr Joshi said "if you give these powers to the Government they will get demoralised" Government cannot be carried on on certain copy book ethical principles Circumstances may arise when such powers may be necessary I can never believe that simply because the Government has got these powers they will use them at the very first instance and that the various labour legislations that exist on the statute-book and those that were passed only a few days ago will be shelved and the Honourable the Labour Member will never make use of those laws I think it will be as a last resort that these drastic provisions will be made use of In the first instance, Government will certainly try all kinds of amicable methods If they do not do that, they will stand self condemned and no one will support a Government like that In a regime of a popular self-government, an arbitrary Government like that can never expect to hold to power That in itself will be a great deterrent and I am confident that a Government that is worth its name will make use of drastic powers like these only as a last resort I therefore, think that there is no reason why a simple measure like this should be opposed

Sjt N. V. Gadgil Mr President, after having listened to my Honourable friend Mr Joshi's speech with the care and attention that his age and experience demand, I have come to the conclusion that I must support this Bill Mr Joshi undoubtedly raised a number of questions, but they were more or less of academic interest He said that in 1939, when the war was declared, if there was any justification for such a power being given to the executive, that justification, at any rate, was no longer available today when peace has come as the result of the cessation of hostilities May I bring to his notice that in 1939 the context of circumstances was different from the context of circumstances which is just facing us today? If these powers were necessary in 1939, they

[Sjt N V Gadgil]

were necessary from quite a different point of view, because then it was readily possible to point out the danger, the direction of the danger and the particular part of the world from which that danger was expected Today in 1947, when Mr Joshi knows and when everyone of us is quite conscious of what is happening and what is bound to happen in the near future, it will be an abdication of duty on our part to our countrymen not to support this measure

Mr Joshi said something about power Power is always neutral It takes its character and colour from the use to which it is applied If it is assumed for the purpose of doing some good to the community, I am sure Mr Joshi will not oppose it But is there any reason for him to presume that this Government, which virtually depends upon the vote of this House, is likely to abuse it? If he had such a suspicion about the Government that is no more and which has gone unwept, unsung and unhonoured, I could have understood it But this Government which is castigated day in, day out from 11 A M till 5 P M and the major part of it is always annexed by my Honourable friend Mr Joshi, why should he be so suspicious about it?

Now, going into the merits my Honourable friend Mr Joshi said that in the present circumstances in which the law stands today there is ample provision, then where is the necessity for such a measure? If he had only taken a little more care to go further into the Statement of Objects and Reasons, he would have found that whether a particular situation answers to the situation contemplated in the statute or not is a matter left for the court to decide, I think no Government can function that way If Government is to be looked upon as the protector and as an institution from which the citizens of the country expect not only peace and security but also the supply of essential commodities and services and if that expectation is not fulfilled, I think that Government has no right to be called a Government Either it must govern or it must get out A weak government and a faithless wife deserve to be kicked out Therefore, in the future that is close at hand and the rumblings of which we all are hearing, I want to repeat, Sir, with all the solemnity that I can command that it will be suicidal on our part not to arm the Government with such power To delay the passing of this measure even for a day is unwisdom

Now, Sir, what does this Bill seek after all? The power is already in the present law, what it seeks is some sort of procedural change If every time you leave the matter for the court to decide with the risk that those who have acted should have to face a trial, it would be a dangerous thing In any emergent circumstances, ample power must be left with the Government You cannot expect when a sudden emergency arises to decide beforehand its character Whether the particular circumstances were so strong that firing was justified is a matter that must be judged by the executive If every time, you insist on these matters being put before a court of law, I think you show an utter ignorance of the very elements which a Government that wants to govern ought to have What the Bill exactly does is this Instead of leaving this lacuna in the present law, it invests the Government with the power to declare an emergency A notification is then issued and certain things which can be done even under the present law are then done Now, Sir I can understand Mr Joshi to say that such a power should not be given without any limitation Therefore I promise that I will support him when he moves his amendment not the whole of it, but the second proviso and I have no doubt that the Government will also consider that amendment in a reasonable frame of mind But when Mr Joshi points out that the powers that are now sought under this Bill are wider I want to join issue with him I want respectfully to invite his attention to the fact that in the preamble, the word 'emergency' occurs It is a wider term in a way, but according to me it describes in one word what is contemplated in the Statement of Objects and Reasons Whatever is described in details, is showing

the present state of law, is very conveniently described as 'emergency' in the preamble Now, when there is such an emergency and when a notification has been made, then I do agree, Sir, that there must be some time limit In the Bombay Act relating to the declaration of emergency a time limit of one month is prescribed At the same time it has been laid down in that Act that if at the end of the month the Government still find that emergent circumstances still continue they have the authority to renew it, as many times as they like, but for one month at a time That is a good limitation I therefore submit that in the present circumstances when nobody knows what will happen, the first and primary duty of Government is to maintain law and order and maintain the supply of essential commodities and services Mr Joshi suggested that in such circumstances the citizens should be conscripted If he agrees to that then it means that circumstances when abnormal justify abnormal actions Then the question simply reduces itself to this, whether the Government should conscript all the citizens or a part of the community namely the military forces who have been maintained all along, for this particular purpose If he has no objection for a lawyer like myself to do the job of unloading wheat flour, why should he have any objection for a man who has been maintained by the community year in and year out, in good barracks, in good circumstances with plenty of food to do that job? There is nothing unnatural if the military is used for this purpose Mr Joshi knows that somehow or other such a power is necessary, but his long standing prejudice which most of us shared a few months ago with him, does not allow him to have a realistic picture of the circumstances in which we are today I therefore hope that in terms of the suggestion I have made, Mr Joshi will move his amendment and I hope it will be accepted by the Government and that the Bill will be passed into law today

Mr G S. Bhalia Sir, I have very little to add to what I said when I moved the motion before lunch, particularly as my Honourable friends Mr Gadgil and Mr Tamizuddin Khan have put the case for the Bill before this House so well I explained at the beginning that the Defence Department were not anxious to take these powers for the use of troops I pointed out that this was a most unpleasant duty which the troops were called upon to assume But I take it that if the Government as a whole appeal to the Defence Department to go to their rescue in an emergency, it would be wrong on the part of the Defence Department to turn down their request Sir, when the troops are required to be called out in these emergent circumstances there should be no legal loophole, they should be fully protected by the law of the land That is why this Bill has been introduced in the House There are no Defence of India Rules in force today What my Honourable friend Mr Sanyal, referred to—Rule 81, of the Defence of India Rules—expired on 30th September We did not immediately seek powers What happened? We have been receiving requests from Provincial Governments and from departments of the Central Government for the loan of troops in certain emergencies We found that if we allowed the use of troops on these occasions, there was no legal cover I place these facts before this House and it is for the House to decide whether in such circumstances they should give this power to the Central Government to issue a notification declaring a particular service to be vital to the life of the community Mention was made of the bus workers strike in Bombay I think it is not correct to state that buses were run by troops for the use and convenience of passengers What happened was this The strike of transport workers took place on 18th July 1946 The Government of Bombay, mind you it is a responsible Government, responsible to the legislature of the province, appealed to us that unless military assistance was given on the next day, there would be no stocks of grains available in the City of Bombay on 20th July 1946, that is, two days later and the rationing system of Bombay would break down Now, Sir, it is for the House to say whether in the circumstances we should have sat silent and refused to give assistance of troops to carry out these services which the Government of Bombay considered essential for their purpose Similarly we received requests from

[Mr G S Bhalja]

the Food Department of this Government which is presided over by a trusted leader of the people We received requests for the use of troops to unload ships which contained food which was vitally necessary for the maintenance of the rationing system in the country Now, were we to deny the use of troops on occasions like these? If the House so desires, if the country so desires the Defence Department have nothing more to say But if the Defence Department and the troops are asked to carry on these duties, then I humbly submit that they should give the necessary legal cover for the use to which troops are put My friend Mr Joshi asked me what was the difference between 1939 and 1945 Circumstances are different in two particular ways In the first place before 1939 troops were not required to be called out for such purposes on many occasions In the second place the people and the working classes were perhaps not so conscious of their rights under the law In 1946 however we find that after the great upheaval of the war there was labour ferment throughout the country One does not know how long this ferment will continue, and legal cover has to be provided for occasions like the ones I have mentioned When Governments Central and Provincial which claim to remain in power on popular support appeal to the Defence Department it is not for them to deny the assistance which is sought

4 P M

Shri Sri Prakasa What will happen if the troops go on strike?

Mr G S. Bhalja The reply is clear, they will be court-martialled As the law stands at present, it is not the duty of the troops to intervene for purposes of this kind I also made it clear this morning that it is wrong to suppose that troops would be used merely for breaking strikes Far from that My Honourable friend referred to public inconvenience that may be caused I am sure the House can trust this Government not to allow the use of troops merely for avoiding public inconvenience I shall give an illustration The press workers of Government were on strike and this House was seriously inconvenienced on account of the lack of budget documents, but still Government did not resort to the use of troops

Mr. N M. Joshi: What could they do? They do not know composing

Mr G S. Bhalja. My Honourable friend is not correct Troops these days are not merely infantry They are of various technical categories and they can perform very important functions, like building roads, running of trams and buses and running railway trains when the necessity arises

An Honourable Member And cause accidents!

Mr G S Bhalja There need be no such apprehensions In fact accidents are much less when the military are in charge of any service than when ordinary workers are The troops and the armed forces personnel are fully trained before they are placed on a particular job They are disciplined forces, they cannot take liberties or absent themselves from work or disobey the regulations in the way ordinary workers are apt to do on certain occasions I am sure that there is no genuine apprehension that the powers proposed to be entrusted to Government under this Bill are likely to be misused

Sir, I oppose the motion of my Honourable friend Miss Kaka

Mr. President: The original motion was that the Bill be taken into consideration, since when an amendment has been moved that the Bill be circulated for the purpose of eliciting opinion thereon by the 31st March 1948

The question is

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st March, 1948"

The motion was negatived

Mr President: The question is

"That the Bill to enable duties in connection with vital services to be imposed in an emergency on the Armed Forces of the Crown be taken into consideration"

The motion was adopted

[At this stage Mr President vacated the Chair, which was then occupied by Mr Deputy President (Khan Mohammad Yamin Khan)]

Mr. N M. Joshi: Sir, I move

That to sub clause (1) of clause 2 of the Bill the following two provisos be added, namely

(a) Provided that such notification shall not be issued unless and until danger of serious loss of human life has become imminent, and

'(b) Provided further that such notification shall remain valid only for one month unless it is renewed before the end of the month"

My object is that Government should not issue a notification calling troops for maintaining vital services unless the need is very real, and the test of that is the danger of human beings being killed or starved or their lives being made unsafe Unless there is that danger I submit the notification should not be issued The danger should be also very imminent The intention is that Government should not act in a light-hearted manner The second part of my amendment provides that this power given to Government should not be permanent but that the notification should last only for a month and if the emergency persists it may be renewed My Honourable friend Mr Gadgil said that this slight restriction on the power of Government will be considered by him as suggested in my amendment, and I hope the House will accept it

Mr Deputy President: Amendment moved

"That to sub clause (1) of clause 2 of the Bill the following two provisos be added namely

'(a) Provided that such notification shall not be issued unless and until danger of serious loss of human life has become imminent', and

'(b) Provided further that such notification shall remain valid only for one month unless it is renewed before the end of the month' "

Mr G. S. Bhalja. Sir, I have no objection to accepting, on behalf of the Government, part (b) of the amendment moved by my Honourable friend, Mr Joshi My Honourable friend, the Legal Secretary, will move an amendment which will retain the sense which Mr Joshi has in mind, although the phraseology may be slightly different But I regret we are unable to accept the first part of the amendment moved by him, because that would so limit the operation of the Bill that it would practically nullify the object for which the Bill has been introduced I should repeat again that the powers which this Bill seeks are to be utilized only when the life of a community is likely to be paralysed That is the implication of the word 'vital'—vital service to the community, or service which is of vital importance to the community, is service which is very necessary, very essential for the life of the community, without which the life of the community is likely to be paralysed But the way in which Mr Joshi has moved his amendment is too narrow For instance, in the cases in which troops were used on two occasions in Bombay and Karachi you cannot argue that the loss of life was imminent It is possible to argue that people might starve for one day, but I may suggest that the life does not disappear or does not get extinct suddenly, it gets extinct slowly, but you want to prevent accumulation of factors which lead to extinction You want to take preventive action rather than take action after the disaster has come over the country I am prepared to accept the amendment in the following terms

"Provided that such notification shall remain in force for one month in the first instance, but may be extended, from time to time, by a like notification"

I think it meets in substance the sense of the amendment moved by my Honourable friend, Mr Joshi

Mr. N. M. Joshi: If it does meet in substance the amendment which I have moved, I have no objection to accepting that My policy has always been to accept what little you can get if you cannot get the whole thing

I again say that my first amendment only makes clear what is the vitally important service In my judgment that service is vitally important upon which depends the life of the people If that service is not rendered then there is danger to human life Unfortunately the Government do not recognize this

Mr Deputy President The Honourable Member cannot make another speech Is he accepting the amendment or not

Mr N M Joshi No, Sir

Mr Shavax A. Lal (Government of India Nominated Official) Sir, I move

"That to sub clause (1) of clause 2 of the Bill, the following proviso be added, namely

'Provided that such notification shall remain in force for one month in the first instance but may be extended from time to time, by a like notification' "

Miss Manben Kara May I know, Sir, whether Mr Joshi has accepted this amendment or not, because if he has not I would like to speak on that amendment

Mr N M Joshi Even if I accept, your right to speak still continues

Mr Deputy President Both the amendments will be discussed together Amendment moved

"That to sub clause (1) of clause 2 of the Bill, the following proviso be added, namely

'Provided that such notification shall remain in force for one month in the first instance but may be extended, from time to time, by a like notification' "

Miss Manben Kara I rise to support the amendment moved by my Honourable friend, Mr Joshi I do not wish to repeat the arguments which I put forward when I moved my first amendment on this Bill for circulating it for eliciting public opinion Mr Joshi, by moving this amendment, has tried to meet the Government half way because this shows that we realize that at certain stages when the life of the public is in danger, Government may be compelled to bring in troops

Mr Deputy President This is a repetition of Mr Joshi's argument

Miss Manben Kara While speaking on the Bill some of the arguments are bound to be the same

Mr Deputy President Repetition is not allowed

Miss Manben Kara I am very glad that in respect of the second part of Mr Joshi's amendment, the Defence Secretary has moved a fresh amendment which meets Mr Joshi's point to some extent I hope Mr Joshi will accept that amendment because we know the fate of amendments which are proposed by us if they are not acceptable to Government Under these circumstances we would always welcome whatever little we can get

Quite a lot has been said about the times not being the same as they were from 1939 to 1946 Certainly the House must grant that much intelligence to a man like Mr Joshi and others, to understand that they are not the same but when we say that times have not changed we mean that there is no deterioration in the condition of the country for which such emergency powers are needed In those times war was on there was a foreign Government and that was a bureaucratic Government, and that Government brought forward certain measures Even at that time some of my Honourable friends who were present in this House at that time opposed such measures, but I am surprised to find that some of my Honourable friends who are still opposed to such measures are prepared to go to hell as one of the Honourable Members has put it if the Government would lead them to that place I would expect that Members of this House would learn to think and decide matters on their merits If everyone is prepared to say that they are prepared to go to hell if the Government would lead them to that place, then there is not much meaning in coming to this

House The Congress Party and the Muslim League Party can meet and decide what should be done Sir, I beg to submit that this is not the way in which things should be done

An Honourable Member: On which amendment is the Honourable Member speaking?

Miss Maniben Kara: On Mr Joshi's amendment

Mr. Deputy President: The Honourable Member's remarks do not seem to be relevant

Miss Maniben Kara: Mr Joshi's amendment is printed and is in possession of all the Members here

Mr. Deputy President: The Honourable Member should address the Chair and make her speech re'evant to the amendment

Miss Maniben Kara: That is why I would appeal to the Members of this House that this amendment wh ch has been moved by Mr Joshi and which goes to show that in cases of emergency we are agreed that troops might be called in, should be judged on its own merits It should not be judged that because it has not been brought forward by a member of the Government that it should not be accepted

With these words, I hope that this amendment will be accepted by this House

Sjt. N. V Gadgil: The question may now be put

Mr. Deputy President: The question is

"That to sub clause (1) of clause 2 of the Bill the following two provisos be added, namely

'(a) Provided that such notification shall not be issued unless and until danger of serious loss of human life has become imminent', and

'(b) Provided further that such notification shall remain valid only for one month unless it is renewed before the end of the month' "

The motion was negatived

Mr. Deputy President: The question is

"That to sub clause (1) of clause 2 of the Bill, the following proviso be added, namely

'Provided that such notification shall remain in force for one month in the first instance, but may be extended, from time to time, by a like notification' "

The motion was adopted

Miss Maniben Kara: I have an amendment

Mr. Deputy President: I am informed that the Honourable Member has given this only today Does the Honourable the Defence Secretary accept this?

Mr. G. S Bhalja: I regret I am unable to accept it

Mr. Deputy President: So this amendment cannot be allowed The question is

"That clause 2, as amended, stand part of the Bill."

The motion was adopted

Clause 2, as amended, was added to the Bill

Clause 3 was added to the Bill

Clause 1 was added to the Bill

The Title and the Preamble were added to the Bill

Mr. G. S. Bhalja: Sir, I move

"That the Bill, as amended, be passed "

Mr. Deputy President: The question is

"That the Bill, as amended, be passed "

The motion was adopted

The Assembly then adjourned till Eleven of the Clock on Monday, the 10th March 1947

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