

CONSTITUENT ASSEMBLY OF INDIA (LEGISLATIVE)

Wednesday, 26th November 1947.

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

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

USE OF BONES AS MANURE

314. *Shri B. B. Diwakar: (a) Will the Honourable Minister of Agriculture be pleased to state whether Government are aware that as a result of the abnormal slaughter of animals and sheep during war-time, there was a huge collection of bones?

(b) Have Government made any arrangements for utilising these collections at different centres for the preparation of manure?

The Honourable Dr. Rajendra Prasad: (a) The normal output of bones is estimated at a million tons a year of which only some 3,00,000 tons are collected. Due to difficulties of transport and the stoppage of exports, the collection of bones decreased during the war but Government have no information about any accumulation of bones in any area.

(b) Does not arise. But the question of encouraging the collection of bones was brought to the notice of the Indian Chemical Manufacturers Association, early this year.

Shri P. Kakkan: May I know whether Government have issued any instructions to the provincial Governments to issue an order to each and every major and minor punchayet board to remove dead cattle and store the bones for manure?

The Honourable Dr. Rajendra Prasad: So far as I am aware, no order has been issued by the Government of India; but the provincial Governments may have issued orders like that.

Shri B. A. Mandloi: In view of the fact that bones are very useful for manure will Government take steps to stop completely the export of bones from the Union of India?

The Honourable Dr. Rajendra Prasad: As I have said, we get every year only about one million tons of bones and we are not able to collect more than 3,00,000 tons. So it is no use stopping the export of bones. The real problem is to collect the bones, and if more bones could be collected we could have the foreign market as well as meet our own requirements.

BONE-MEAL AS FOOD FOR MILCH AND DRAUGHT CATTLE

315. *Shri B. B. Diwakar: Will the Honourable Minister of Agriculture please state:

- (a) the total quantity of bone-meal produced;
- (b) the quantity used as manure for different crops; and
- (c) the food value of sterilized bone-meal for milch cattle and draught animals?

The Honourable Dr. Rajendra Prasad: (a) Between 25,000 and 30,000 tons a year.

(b) About 50 per cent of the production is used for plantation crops like Tea, Coffee, Rubber, etc.; the balance is used for paddy, sugarcane, fruits, etc. No details are available.

(c) Bone-meal provides two of the essential mineral elements—Calcium and Phosphorus which the milch as well as draught animals require for normal body metabolism. Their absence from the diet leads to structural and functional injuries. Bone-meal contains both these elements (minerals) in the proportion found in the animal body. It is generally fed in powder form mixed with salt in the ration given to cattle. The average percentages of Calcium and Phosphorus in steambone meal are 81·8 and 14·4 respectively.

Shri S. Nagappa: Are Government making any efforts to increase bone-meal production? If so, what are those efforts?

The Honourable Dr. Rajendra Prasad: As I have stated in reply to the previous question, the question really is one of collection of bones. We have got a number of factories which are dealing in these bones, but they are not efficient enough to compete with foreign markets, and therefore the work is not making as much headway as it should.

Prof. N. G. Rang: What steps are Government taking to see that all the bones available in the country are collected and sent to these various factories and also to encourage the cottage industry that has grown up during war time, to utilise these bones for the manufacture of bone-meal?

The Honourable Dr. Rajendra Prasad: It is hardly necessary to collect the bones unless they can be utilised by the factories. And, as I have stated, the factories are not in a position to utilise the bones that are collected because they are not efficient enough to produce cheap bone-meal for our use.

Shri K. Santhanam: With reference to part (c) of the question, may I know in what provinces bone-meal is mixed with food for cattle?

The Honourable Dr. Rajendra Prasad: It is generally not used at all in this country, and some people even object to taking milk from cows fed on bone-meal. So it is not used in this country in that way.

Shri K. Santhanam: Will Government consider the desirability of investigating how it can be transformed in such a way that it may be used by our farmers for the use of cattle?

The Honourable Dr. Rajendra Prasad: The point is not of converting it into a form in which it can be used. It is produced in a form in which it can be used; but the real objection is the religious prejudice which prevents its being used.

Mrs. Manuka Ray: In what quantity is bone and bone-meal exported outside the country?

The Honourable Dr. Rajendra Prasad: It is limited to about 40,000 tons.

Seth Govinddas: Are Government making any efforts to see that these factories become more efficient, and have they issued any instructions to provincial Governments in this regard?

The Honourable Dr. Rajendra Prasad: We have advised that these factories may be subsidised.

Shri Raj Krishna Bose: Is it proposed to control the export of bones outside this country consistent with the requirements of our farmers?

Mr. Speaker: That has been answered already. Next question.

NUMBER OF BONE MILLS WITH DISINTEGRATORS

316. *Shri B. R. Diwakar: Will the Honourable Minister of Agriculture please state:

(a) the total number of Bone Mills in the Dominion of India;

(b) the number of disintegrators in each of them; and

(c) the amount of bones crushed by each of them in 1942-43, 1944-45 and 1945-46?

The Honourable Dr. Rajendra Prasad: (a) There are 23 Bone Mills in the Indian Dominion.

(b) and (c). A statement giving the available information is placed on the table.

Statement showing the number of disintegrators and the amount of bones crushed in each Mill during 1942-43, 1944-45 and 1945-46

Serial No.	Name of Bone Mill.	Number of disintegrators in each Mill	Quantity of bones crushed in 1942-43	Quantity of bones crushed in 1944-45	Quantity of bones crushed in 1945-46
1	2	3	4	5	6
			Tons	Tons	Tons
1	Hubli Bone Mills, Hubli . . .	2 big and 2 small	1,500	800	900
2	Premier Bone Mills, Tanjore . . .	2 in 1942 to 1945 3 since 1945.	600	472	564
3	Katpadi Bone Mills, Katpadi . . .	2	2,144	1,090	750
4	Kauambur Mill, Kadambur . . .	2	1,600	924	413
5	Southern India Manure and Tanning Works, Samalkot.	2	97	1,522	93
6	Jai Hind Bone Mill, Bombay	1	2,700	3,200	Nil
7	Fasalbhai Ibrahim & Co. Bone Mill, Bombay.	1	318	...	453
8	Hindustan Fertilizers, Kuppam	2	1,000	900	800
9	Hapur Bone Mills, Hapur . . .	1	...	4,000	6,825
10	Ranipet Bone Factory, Ranipet	2	1,916	1,857	2,198
11	Feroke Factories, Feroke . . .	1	...	...	...
12	Hindustan Bone Mills, Ennore	3	2,500	2,000	100
13	Burjor Ardeshir & Co., Bombay Kalar.	Giant Miracle crusher (capacity 50 tons a day of 10 hours).	...	2,500	3,000
14	Santra Gochi Mill, Calcutta . . .	3 also 2 roller crushing units.	3,656	5,066	6,086
15	Stanes & Co., Coimbatore . . .	2 (One dismantled since last 18 months, only one working.	202	320	400
16	Chingreehatta Bone Mill, Calcutta.	2 (also 2 sets of crushers).	2,373	2,014	2,153
17	An Ierson Dawn Coy., Bombay	3	4,750	5,250	6,250
18	Ganges Valley Bone Mills, Calcutta.	4 Disintegrators . . .	11,800	9,300	10,900
19	Empire Bone Mills, Pagladarga	3 Roller Crushers. 3 Disintegrators . . .	2,500	4,000	6,250
20	East India Bone Mills, Neopalli Rly. Station, Nandyal Distt., Kurnool.	2 Units of Roller crushers.	...	...	...
21	Ahmed Nagar Tannery & Bone Mills, Dhulia, Bombay.		...	...	...
22	Ahmed Nagar Tannery & Bone Mills, Kulwa, Ahmednagar.		...	...	...
23	Ralli Brothers, Magarwara, near Cawnpore.	1	3,812	4,649	5,016

POLICY re UNIFORM PRICE OF OIL-CAKES AND OIL SEEDS

317. *Shri E. E. Diwaker: Will the Honourable Minister of Agriculture be pleased to state whether Government propose to adopt a uniform policy with regard to the fixing of the price of oil-cakes and oil-seeds throughout the Dominion?

The Honourable Dr. Rajendra Prasad: No such proposal is at present under consideration. The control over oilseeds and oils was lifted in March, 1947 after full consultation with the Provinces and States.

SUPPLY OF CHEAP FUEL AND SUBSIDIZED MANURES

318. *Shri E. E. Diwaker: (a) Will the Honourable Minister of Agriculture be pleased to state whether Government propose to encourage fast-growing fuel plantation and arrange to supply cheap fuel to the rural population, so that the major portion of the farm-yard manure will find its way into the soil?

(b) Are Government aware that even if the whole of the farm-yard manure is made available, it will meet only one-third of the total requirements and that only one-third of the total production (of farm-yard manure) is used as manure?

(c) What are the measures that Government have taken towards the production of chemical manure in the Dominion?

(d) Do Government propose to consider the advisability of adopting a policy of supply of subsidized manures in view of the high prices and difficulties of transport and in view of the fact that the Ryat will not be induced to adequately manure his holding unless the use of different kinds of manure is encouraged by subsidisation?

The Honourable Dr. Rajendra Prasad: (a) Government are encouraging fuel plantations in order to supply cheap fuel.

(b) It is estimated that about 2/8rds of cow-dung manure is being used as fuel. The total quantity of cow-dung manure produced is estimated at 840 million tons green or 838 million tons dry.

(c) A large factory is in the course of erection at Sindhri (Bihar) for the production of 8,50,000 tons of Ammonium Sulphate per annum. The Ministry of Industry and Supplies expect that the factory will start pilot production in about three years' time.

Steps are being taken to develop the super-phosphate industry in India. The present annual production capacity is about 50,000 tons and several units are being put up by private individuals. The export of bones from India has been restricted with a view to utilising them for the production of super-phosphates.

(d) In the Grow More Food Schemes for popularising the use of fertilizers and manures, subsidies are being offered wherever necessary to bring down high prices and high transport charges.

Prof. N. G. Ranga: Are any active steps being taken to encourage the production of green manure?

The Honourable Dr. Rajendra Prasad: Nothing beyond propaganda steps, I should imagine!

Prof. N. G. Ranga: In view of the fact that all economists have agreed that green manure is the best form of manure that can be supplied to the soil, will Government consider the advisability of taking special steps to encourage the production of green manure on as much land as possible?

The Honourable Dr. Rajendra Prasad: Scientists are not agreed on the point. As a matter of fact, I might inform the Honourable Member that our Chief Agricultural Officer here, Mr. Sethi, does not have much faith in green manures. But so far as is possible, green manures are being encouraged.

Shri Raj Krishna Bose: Is there any proposal of having any large-scale casuarina plantations anywhere in India?

The Honourable Dr. Rajendra Prasad: As I have said, there is a proposal before all the Provincial Governments in their five year post-war development plan for increasing supply of fuel wood and they are thinking of encouraging plantations, and casuarina will necessarily be included in their plans.

Shri Ajit Prasad Jain: With regard to part (a) of the question, what success, if any, has the Government obtained in increasing the quantity of fuel production and what specific steps are the Government taking to further increase production?

The Honourable Dr. Rajendra Prasad: I have here with me a long report from all the provinces as to what they have done. If the Honourable Member wants it I will hand it over to him. It covers two foolscap pages and it will take a long time to read.

Shri K. Santhanam: With reference to (a) is there any Agricultural Research Station which is doing research on fuel plantation—such as which fuel plant can grow in which climate and the like?

The Honourable Dr. Rajendra Prasad: The Forest Research Institute has been looking into this matter and they have been doing that.

Shri O. V. Alagesan: What are the results of the experiments at the Pusa Agricultural Institute for converting cow-dung into gas?

The Honourable Dr. Rajendra Prasad: I could not answer that offhand.

CONSTRUCTION OF SILVER ARROW TRAIN COACHES

319. ***Mr. E. K. Sidhwa:** Will the Honourable Minister of Railways please state:

(a) whether the Silver Arrow train with special coaches touring the various parts of India has completed its itinerary;

(b) if so, the suggestions received from public and when Government intend to place orders for construction of these coaches; and

(c) the building programme for such coaches?

The Honourable Dr. John Matthai: (a) Yes.

(b) and (c). A questionnaire dealing specifically with the amenities provided and the special features of these coaches was distributed to the visitors with a view to eliciting public opinion. From a scrutiny of the replies received it is evident that the various features incorporated in the design were well received by the public.

As a result of the opinions obtained on the 'Silver Arrow' train a revised schedule of requirements for coaching stock of all classes has been drawn up. Negotiations are in progress with certain indigenous firms for the building of sample light weight 11'-8" wide coaches incorporating these requirements.

The coaches comprising the 'Silver Arrow' were built on ordinary standard underframes for the purpose merely of conveying to the public the future scale and form of amenities proposed to be provided in the different classes. The sample coaches which will now be built will be of the stressed skin light weight type based on the most modern coach building practices. The sample coaches are expected to be ready by August next year after which it is hoped to place orders for bulk manufacture by indigenous firms.

Mr. E. K. Sidhwa: May I know whether Government will be pleased to place first the orders for the third class coaches and after they are completed, the orders for the upper class and others?

The Honourable Dr. John Matthai: As a matter of fact that is not going to speed-up the process of manufacture because most of the suggestions we have received in reply to the questionnaire had been with regard to the design of the third class coaches. So the redesigning would be more with regard to third class coaches than with regard to others. In any case, if we are able to get these sample coaches built by August, I think it will be possible for us to introduce these coaches within a reasonable time.

Mr. E. K. Sidhwa: Is it not possible to manufacture these coaches in our workshops?

The Honourable Dr. John Matthai: All the orders are being placed in India.

Mr. E. K. Sidhwa: In our railway workshops?

The Honourable Dr. John Matthai: I do not think it will be possible to get these things made entirely in our railway workshops. It will be necessary to call in the assistance of outside workshops.

Seth Govinddas: Are not certain parts being built in our Government workshops?

The Honourable Dr. John Matthai: But the idea is, as indicated in my questionnaire, that we are to alter the whole composition of these coaches. As a matter of fact in the Silver Arrow train, as exhibited here, the under-frame was different from the body. What we are trying to do now is to have an integrated whole that will greatly reduce the weight. That means a comprehensive redesign.

Seth Govinddas: I wanted to know whether certain parts of these coaches—the Honourable Member said an order was being placed in India—would be built in Government workshops.

The Honourable Dr. John Matthai: Yes.

Shri M. Ananthasayanam Ayyangar: Is it a fact that some of these coaches in the Silver Arrow train which were approved by the persons who inspected them were manufactured in the G.I.P. workshops in Bombay?

The Honourable Dr. John Matthai: Yes, part of the work will be done in the workshop.

Shri M. Ananthasayanam Ayyangar: Was not one of the particular coaches wholly manufactured in a shop in Bombay?

The Honourable Dr. John Matthai: Yes: What happened in the G.I.P. workshop was that we had the under-frame and the body was built on it. We are not going to repeat that because the under-frame and the body would hereafter be one complete whole.

(Shri M. Ananthasayanam Ayyangar again rose in his seat.)

Mr. Speaker: The information has now been given.

Shri S. Nagappa: May I ask the Government what is the extra cost involved in building these coaches?

The Honourable Dr. John Matthai: I am not in a position to give the exact figure.

PRODUCTION OF STEEL IN INDIA

†330. *Shri Debi Prasad Khaitan: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) the estimated production of steel in the Dominion of India in the year 1947;

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

- (b) the highest annual production of steel during the last five years;
 (c) the total annual capacity of the present plants to produce steel; and
 (d) the reasons for the reduced output and the steps that are being taken to obtain maximum production?

The Honourable Dr. Syama Prasad Mookerjee: (a) Approximately 900,000 tons.

(b) 1,166,204 tons in 1948.

(c) 1,254,000 tons.

(d) The main reason for the reduced output is labour unrest. Transport difficulties are a contributing factor. The Government intend to discuss with labour and employees the steps to be taken to eliminate labour unrest.

GOODS RAILWAY WAGONS AND ROLLING STOCK MAROONED IN PAKISTAN

†321. ***Shri Debi Prasad Khaitan:** Will the Honourable Minister of Railways be pleased to state:

(a) the total number of goods railway wagons available on the Indian State Railways before the partition of India;

(b) the number of such wagons or rolling stock for goods, which has been allotted to Pakistan, and the number that is now left with the Indian Dominion;

(c) whether it is a fact that a large number of wagons sent to Pakistan have not been returned by that Dominion to India; and

(d) if the answer to part (c) above be in the affirmative, their number, the steps that are being taken to get them back and with what prospects?

The Honourable Dr. John Matthai: (a) The number of goods wagons for public use on Indian Government Railways before partition was—

Broad Gauge	1,74,891
Metre Gauge	45,528
Narrow Gauge	3,254

(b) The division of stock between India and Pakistan was arranged provisionally on the basis of notional boundary. The Partition Sub-Committee are meeting shortly to finalise the division in accordance with the Boundary Commission's award.

(c) and (d). Approximately, 3,855 Broad Gauge and 1,082 Meter Gauge Wagons sent to the Pakistan Railways on and after 16th August 1947 had not been returned by 31st October, 1947. Consequent on the partition, a general upsetting of operational conditions was inevitable. The Director of Wagon Interchange who controls the Board and Metre Gauge Wagon Pools to which the Pakistan Railways are a party, has been pressing upon the Pakistan Railways to return some of the stock, and has reported that a distinct improvement in the return of wagons by the Pakistan Railways is noticeable from 1st November 1947. With improvement in operational conditions, it is expected that the Pakistan Railways will be in a position to return more wagons, the number to be returned depending upon final allocation to those Railways of the Rolling stock, on division.

PRODUCTION OF COTTON CLOTH BY INDIAN MILLS

†322. ***Shri Debi Prasad Khaitan:** (a) Will the Honourable Minister of Industry and Supply be pleased to state what was the average monthly production of cotton cloth in the Indian Dominion during the last three months for which figures are available?

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

(b) What was the highest annual production of cotton cloth during the last five years?

(c) What is the maximum producing capacity of Indian mills and what steps are being taken to increase the production?

The Honourable Dr. Syama Prasad Mookerjee: (a) The average monthly production of mill-made cotton cloth in the Indian Dominion during the 3 months ending the 31st October 1947 was 302 million yards; it was 307 million yards in the whole sub-continent.

(b) 4,811 million yards of mill-made cotton cloth in 1944, in undivided India.

(c) The Post-war Planning Committee on Textiles estimated the maximum productive capacity of the mills in undivided India as about 4,800 million yards a year. As regards the latter part of the question, I invite the attention of the Honourable Member to the press note issued at the beginning of November, which is laid on the table of the House.

PRESS NOTE

The Government of India have viewed with concern the continued fall in the production of cloth and yarn during the last few months. A variety of reasons have contributed to this fall amongst which are a recent and progressive shift of production from coarse and medium varieties produced with Indian cotton, to relatively finer varieties, the reduction of the working day from 9 to 8 hours since August, 1946, and the general unrest and relaxation of effort which have followed the strain of the war years. In February, 1947, the Government of India appointed an *ad hoc* departmental Committee to investigate the causes of the fall in production, and the price structure which had apparently made it remunerative for the mills to shift production from coarse and medium to finer varieties. This Committee has prepared a scheme for standardisation of production, with two main features:—

(a) the lowering of the average count produced by each mill, and

(b) the reduction of the types and varieties so as to increase production by making the maximum use of the available supplies of yarn.

The scheme will restrict production to such varieties as are in popular demand, reduce unnecessary widths and specify the minimum breaking strength of yarn. The objective is to produce more and better cloth, at the expense of finer varieties worn only by a few classes. This scheme, which is expected to increase production by about 400 million yards of mill cloth and 400 million yards of handloom cloth, has found general support and has been endorsed by the Commodities Prices Board. The Committee also recommended a revision of the price structure which involved an increase in the price of coarse cloth and yarn. The Commodities Prices Board have viewed this proposal with dis favour and suggested that, if necessary, price adjustments should be secured by an Equalisation Fund where by the prices of finer varieties are utilised to subsidise coarse and medium varieties.

Government have carefully considered the report of the *ad hoc* Committee, and the views of the Commodities Prices Board, and have also taken into account the weight of public opinion against any increase in the price of an essential commodity like cloth. They have accordingly decided to remit the whole question to the Tariff Board for advice. As an immediate practical measure, however, Government are bringing into force from the 1st December 1947 the scheme for the standardisation of production referred to earlier. They are also constituting an Equalisation Fund to which will be credited

(a) the difference between existing ex-mill prices of fine and superfine cloth and the lower prices which the *ad hoc* Committee believe to be fair;

(b) half of the amount now being paid as quota-holders' commission which Government have decided to reduce with effect from the 1st January 1948 from 3 to 1½ per cent

and (c) a surcharge on a sliding scale on "free" yarn sold by mills.

If Government decide on the recommendations of the Tariff Board to increase the prices of any types or varieties of cloth or yarn, such increase will be given retrospective effect on all cloth and yarn delivered by the mills under the Standardisation Scheme after 1st December 1947, provided a prescribed target of production has been reached. "On account" payments will be made to a mill if such assistance is shown to be necessary for the maintenance of production. Regional and Unit Production Committees consisting of representatives of labour and industry will also be set up to ensure that there is no leakage at the mill-end and that labour fully co-operates in the production programme.

Government will appeal to labour to work slightly longer hours than at present as an emergency measure. Any overtime will, of course, be adequately remunerated. Besides such compensation, suitable labour welfare measures in the Cotton Textile Industry will be financed by Government out of the Equalisation Fund which it is proposed to create on the lines suggested by the Commodities Prices Board.

During recent weeks there has been considerable controversy on the question of decontrol of cloth and yarn. Government are of the view that with supplies well below demand, immediate decontrol would only lead to a repetition of the shortages and the high prices which occurred in 1943 and were the direct reasons for the institution of the existing control over cloth and yarn. Apart from the grave hardships which will ensue, should such a situation recur, an increase of the price levels of cloth and yarn to those of 1943 would start an inflationary spiral dangerous to the country's economy. If, however, the present scheme for increase of production should produce the expected results, relaxation or withdrawal of existing control would become feasible. It is the policy of Government to continue the control only so long as is necessary in the best interests of the country, and in a form which will throw the least inconvenience on consumer and producer alike.

LICENSES FOR NEW COTTON MILLS IN INDIA

†323. *Shri Debi Prasad Khaitan: (a) Will the Honourable Minister of Industry and Supply be pleased to state the number of and the names of the provinces for which licences have been granted to start cotton mills in India, how many of the mills have been able to raise the necessary capital therefor, how many have placed orders for machinery and for what delivery, and how many have started operations for the building of factories?

(b) How many of such license-holders have returned their licences to Government and for what provinces?

(c) How many factories, under such licences, are expected to start working within the next 2 and 3 years, respectively, and how many Spindles and Looms are expected to start working during the same period?

The Honourable Dr. Syama Prasad Mookerjee: (a) The number of promoters who have received licences for textile machinery to establish new cotton textile mills in India, including the States exceeding to India and Hyderabad, is 118. This includes 10 mills in respect of which orders were placed before December 1944, when Government initiated their textile expansion plan. Details are given in Statement I which is placed on the table of the House. Government have in all cases permitted the issue of the necessary capital, if applied for. 97 promoters have placed orders, and the total number of spindles ordered so far is 1,728,776. Details regarding expected delivery are given in Statement II which is placed on the table of the House. About 30 mills have started building operations.

(b) Three licences, involving 49,000 spindles, have been cancelled owing to the inability of the licence-holders to obtain machinery. The details are as follows:—

Province	No. of Mills	No. of Spindles
C. P.	1	25,000
Madras	2	24,000
Total.	3	49,000

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

(c) Government expect that the mills that will start working within the next two or three years are as follows:—

Year	No. of Mills	No. of Spindles	No. of Looms
			(Approximate)
1947-48	9	1,34,800	2,500
1948-49	9	1,28,740	2,200
1949-50	8	1,64,000	3,000
1950-51	11	2,38,500	4,700

But such estimates are clearly liable to error, since everything depends upon availability in foreign markets.

Statement

Province.	No. of Mills	No. of Spindles
Bombay	4	48,000
U. P.	10	1,86,420
C. P.	6	1,26,000
Bihar	8	1,97,540
Madras	23	2,67,200
East Punjab	4	54,000
West Bengal	9	1,24,524
Assam	2	1,00,000
Orissa	4	1
Total	70	12,22,684
States	33	6,40,303
Grand Total	103	18,62,986

New Mills in respect of which orders were placed before December 1944

Bombay	2	30,000
Delhi	2	50,000
Madras	5	54,000
Bengal	1	12,800
Total	10	1,36,800

Statement II.

Province	No. of promoters who have placed orders.	Total Spindlage	Spindles expected to be delivered in				
			1947-48	1948-49	1949-50	1950-51	Afterwards
Assam	1	75,000	...	...	25,000	...	50,000
Orissa	4	1,19,000	44,000	...	...	25,000	50,000
Bengal	9	1,14,524	12,800	8,000	...	...	1,06,524
	1	12,800					
East Punjab	4	54,000	...	...	...	25,000	29,000
C. P. & Berar	5	1,01,000	...	...	...	19,000	82,000
Bihar	8	1,97,540	...	...	50,000	50,000	97,540
Madras	20	2,31,200	24,000	40,740	12,000	13,500	1,94,960
	*5	54,000					
Delhi	*2	50,000	25,000	...	...	...	25,000
Bombay	*2	20,000	...	10,000	10,000	...	...
U. P.	6	1,28,410	...	25,000	25,000	...	78,410
Total	67	1,157,474	105,800	83,740	122,000	132,500	713,434
States	30	571,302	29,000	45,000	42,000	106,000	349,302
Grand Total	97	1,728,776	134,800	128,740	164,000	238,500	1,062,736

*Denotes promoters who placed orders before December 1944.

Mr. Speaker: Has the Honourable Member been authorised to ask the question. (Addressing Shri M. A. Ayyangar). Has the questioner given the Honourable Member a written authority?

Shri M. Ananthasayanam Ayyangar: Yes, he has.

Mr. Speaker: Then that question will come up last; and the authority will now apply to question No. 324 only.

DELAYED DELIVERY OF LETTERS, TELEGRAMS AND AIR MAILS

†324. *Shri Debi Prasad Khaitan: (a) Will the Honourable Minister of Communications be pleased to state whether the attention of Government has been drawn to the constant delay that takes place in the delivery of letters and telegrams, including mails despatched by air?

(b) What steps, if any, have Government taken to remove this complaint?

The Honourable Mr. Rafi Ahmad Kidwai: I would invite the Honourable Member's attention to the answer given by me to starred question No. 156 by Shri Gopal Narain on the 20th November, 1947.

RAILWAY CARRIAGES AND COACHES IN POSSESSION OF MILITARY AUTHORITIES

325. *Mr. E. K. Sidhwa: (a) Will the Honourable Minister of Railways please state the number of Railway carriages and coaches still in possession of the Military authorities in India on the Assam and other borders, which were requisitioned for evacuating the British and other Military personnel from those areas?

(b) Do Government propose to take action to see that all these carriages are released without delay?

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

‡ Could not be taken at during question hour.

(c) Are Government aware that the retention of these carriages by the Military Authorities has caused the travelling public great hardship and difficulty?

The Honourable Dr. John Matthai: (a) At present no such stock is in the possession of the Military Authorities in India.

(b) and (c). Does not arise.

Mr. R. K. Sidhwa: May I know if all the coaches have been now restored to the Railway Board?

The Honourable Dr. John Matthai: The Honourable Member's question here relates to coaches which have been used on the Assam and other borders. They are meter gauge coaches. No meter gauge coaches are at present on loan. All the coaches on loan to the Defence Department now are broad gauge coaches.

Mr. R. K. Sidhwa: How many coaches are still with the military authorities?

The Honourable Dr. John Matthai: The latest figure is 509.

Mr. R. K. Sidhwa: By when are they likely to be released?

The Honourable Dr. John Matthai: I am not in a position to say. Since I last reported to the House, that is last week, we have had 15 coaches released. If the release goes on at that rate I think we should be able to get them back within a fairly short time.

Mr. R. K. Sidhwa: To what railways do they belong?

The Honourable Dr. John Matthai: Practically all the railways.

Begum Aizaz Rasul: What is the total number of broad gauge coaches?

The Honourable Dr. John Matthai: The number of broad gauge coaches lent to the Defence Department is, as I said, 509.

Mr. Speaker: The Honourable Member wants to know the total number of broad gauge coaches of which the 509 lent to the Defence Department is a part.

The Honourable Dr. John Matthai: I am afraid I cannot give the answer off-hand. I will give the Honourable Member the figure later on.

Mr. R. K. Sidhwa: Is it not a fact that the previous estimate of the Railway Member was that the coaches would be restored to the Railways in July 1947?

The Honourable Dr. John Matthai: Various things have occurred which have upset our original programme.

Mr. Speaker: This question was dealt with fully during the discussion of the Railway Budget in the Honourable Member's speech.

SETTING UP OF AN ALL-INDIA CENTRAL MILK BOARD

326. *Prof. H. G. Banga: Will the Honourable Minister of Agriculture be pleased to state:

(a) whether it is a fact that one of the Agricultural Planning Panel Committees has recommended that an All-India Central Milk Board should be established; and

(b) if so, when Government propose to constitute such a Board?

The Honourable Dr. Rajendra Prasad: (a) The Policy Committee on Agriculture, Forestry and Fisheries recommended that the Central Government should take steps to set up an Indian Central Milk and Dairy Committee to co-ordinate and guide the work of cattle breeding and dairying in India.

(b) The recommendation was considered by the Government who decided that instead of setting up Commodity Committees the Government of India should itself set up institutes, research stations, etc., as may be required.

Shri M. Ananthasayanam Ayyangar: In pursuance of the decision of the Government that they should themselves set up such institutes and research stations, may I know if any steps have been taken in the direction and if so, what progress has been made?

The Honourable Dr. Rajendra Prasad: There is already one Dairy institute under the Government of India which is situated at Bangalore. Steps are being taken to improve and expand that institute. Then there is going to be started another institute at Jubbulpore and a proposal to start another institute near about Delhi is under consideration.

Seth Govinddas: By what time will the Jubbulpore scheme come into existence?

The Honourable Dr. Rajendra Prasad: It has passed through the Standing Finance Committee and further steps are being taken.

CONSTITUTION OF AN ADVISORY COMMITTEE CONNECTION WITH MILK PRODUCTION

327. *Prof. N. G. Ranga: Will the Honourable Minister of Agriculture be pleased to state:

(a) whether Government are aware of the lack of contact between Agricultural Marketing Department and the public; and

(b) whether Government propose to consider the advisability of constituting an Advisory Committee including the representatives of Kisan Congress and the various organisations intimately connected with milk production?

The Honourable Dr. Rajendra Prasad: (a) No.

(b) Government have under consideration a proposal to constitute an All India Agricultural Marketing Board to advise them as recommended by the Marketing Sub-Committee of the Policy Committee on Agriculture, Forestry and Fisheries, presided over by Sir T. Vijayaraghavacharya.

Prof. N. G. Ranga: Will the Honourable Minister consider the advisability of including in the constitution of that Committee representatives of organisations interested in the development of agricultural marketing?

The Honourable Dr. Rajendra Prasad: Of course the matter will be considered when the committee is to be constituted.

Shri M. Ananthasayanam Ayyangar: There are at present in each province provincial co-operative agricultural marketing boards and if that is so, with very little difficulty is it not possible for the Central Government to have a central organisation here at Delhi which would co-ordinate the activities of these various organisations?

The Honourable Dr. Rajendra Prasad: The recommendation of the Vijayaraghavachariar Committee is under consideration and steps will be taken to constitute the committee.

JUTE FIBRE FROM PAKISTAN AND ITS PRODUCTION IN INDIA

328. Prof. N. G. Ranga: Will the Honourable Minister of Agriculture be pleased to state:

(a) to what extent India is dependent upon Pakistan for her needs for jute fibre;

(b) what steps are being taken to increase the production of jute and similar fibres in different parts of India and with what success; and

(c) whether it is not possible to raise the fibre plants along most of the railway and road linings of India without encroaching upon the crop areas of the country?

The Honourable Dr. Rajendra Prasad: (a) Cotton—9·2 lakh bales (of long and medium staple) and 8 lakh bales (of short staple).

Jute—45 lakhs bales.

(1 bale = 400 lbs.)

(b) As regards cotton, the problem is being tackled by recommending measures for increasing the area under desirable types to the maximum extent possible, without encroaching upon the area under food crops and for raising the yield per acre by extension of irrigation, use of manure, improved seed, judicious system of rotation and so forth. In fact the whole question has just been examined by the Indian Central Cotton Committee at its meeting held on 21st November 1947, its recommendations are not yet available.

The Indian Central Jute Committee is looking into the question of jute and it is considered that by increasing the yield per acre by the use of seeds of improved strains, by applying correct fertilisers, and by utilising tracts of waste land and current fallows and by adopting a judicious system of crop rotation in the jute growing areas of West Bengal, Bihar, Assam and Orissa, it will be possible to increase the production of jute without decreasing the area under paddy so as to reduce gradually India's dependence on imports to a very large extent in the course of next few years. The policy which will be followed by the Government of India in the matter is under active consideration.

As regards fibres other than Cotton and Jute, the Indian Council of Agricultural Research is under examination the recommendations made by the Fibre Development Officer.

The Indian Central Coconut Committee is also considering the question of increasing the production of heavy coir yielding coconuts.

(c) So long as the food position of the country remains difficult as it is now, such lands should be put under food crops rather than under fibre plants.

Prof. N. G. Ranga: With reference to part (c) of the question where I have suggested the use of railway and road linings for this purpose, will Government consider the advisability of using these spaces for the cultivation of fibre crops?

The Honourable Dr. Rajendra Prasad: So far as railway lands are concerned the question whether they can be utilised has been under consideration but that is a question which the Railway Minister will be in a better position to answer. As regards road lands whether they can be better utilised for fibre or food crops is a question on which there may be difference of opinion.

Prof. N. G. Ranga: Are Government aware of the fact that a fibre crop which is not very much different from jute is very generally grown in South India as one of the mixed crops and whether Government will consider the advisability of encouraging its production?

The Honourable Dr. Rajendra Prasad: If the Honourable Member will give me some details about the particular fibre I shall have the matter looked into.

Shri M. Ananthasayanam Ayyangar: It is hemp.

Shri Raj Krishna Bose: Will the Honourable Minister please state whether any survey has been made, particularly in Bihar and Orissa to find out what additional acreage is available for the cultivation of jute?

The Honourable Dr. Rajendra Prasad: The matter is under consideration at the present moment. We are considering what steps we can take for expanding jute cultivation.

EXPENDITURE ON 'GROW MORE FOOD CAMPAIGN'.

329. *Prof. N. G. Ranga: Will the Honourable Minister of Agriculture be pleased to state:

(a) how much money has so far been spent on 'Grow More Food Campaign' and in what years and in what provinces and with what results;

(b) whether Provincial Governments have been asked to send periodical reports;

(c) what amounts out of the development grants made in the last Budget for Provincial Governments have been set apart by Provincial Governments for this campaign; and

(d) whether Government propose to consider the advisability of reconstituting their earlier specific allotments for this campaign and its various items?

The Honourable Dr. Rajendra Prasad: (a) The Honourable Member may kindly see the statements appended to my reply to question No. 132 asked by Shri Biswanath Das on the 20th instant.

(b) Yes. Provinces are asked to send annual and quarterly progress reports.

(c) A statement giving the available information is placed on the table.

(d) It has been decided that provision will be made on a separate basis for Grow More Food schemes for the year 1948-49; the amounts so provided being shown separately from the general development block grants.

Statement showing the amounts set apart by Provincial Governments for Grow More Food Campaign out of the Development grants.

Serial No.	Name of the Province	Total Block Grant	Amount set apart
1	Ajmer-Merwara	+	5,62,919
2	Assam	2,25,00,000	28,81,000
3	Bihar	4,50,00,000	..
4	Bombay	2,00,00,000	..
5	C. P. & Berar	2,75,00,000	9,50,000
6	Coorg-Mercara	+	2,00,000
7	Delhi	+	10,00,000
8	East Punjab	* 4,00,00,000	5,81,000
9	Madras	6,25,00,000	1,72,00,000
10	Orissa	2,00,00,000	99,80,666
11	United Provinces	7,50,00,000	42,00,000
12	West Bengal	*12,00,00,000	22,00,000

† These figures relate to the grants sanctioned for Bengal and Punjab before partition.

* Figures of total block grants sanctioned for centrally administered areas are not readily available.

Shrimati G. Durgabai: May I know from the Honourable Minister what is the total extent of uncultivable and available on the whole and to what extent it has been brought into use under this campaign and what steps the Government propose to take to bring the remaining land also under cultivation?

The Honourable Dr. Rajendra Prasad: Sir, I would require notice of that question to give the Honourable Member the figures.

Shri Jadubans Sahay: In view of the fact that the aboriginal and Harijan cultivators have not been able to take full advantage of the Grow More Food Campaign, do the Government propose to reduce their contribution to the fund of eight annas in the rupee to four annas or less in the rupee, so that these

aboriginal and Harijan cultivators may be able to take full advantage of the funds allowed to them by the Grow More Food Campaign?

An Honourable Member: Is it a levy?

The Honourable Dr. Rajendra Prasad: It is not a levy but for every scheme which is accepted, the cost is borne by three parties. The Provincial Government contributes four annas, the Central Government four annas and the remaining eight annas is contributed by the owner of the land himself. That has been the system up to now generally. The suggestion made by the Honourable Member is that in the case of aboriginal and Harijan cultivators the contribution made by them should be reduced. At present there is no such proposal before me and we have not considered it.

Mrs. Renuka Ray: May I know what steps are being taken by Government to increase the yield per acre of food crops, as distinct from increasing the acreage by irrigation schemes over a longer period?

The Honourable Dr. Rajendra Prasad: The Grow More Food scheme contemplates three methods for increasing the yield per acre, namely, by improving irrigation, by supplying better quality of seed and by supplying manures. These three methods are utilised for increasing the yield per acre.

Mrs. Renuka Ray: What steps are being taken to distribute manure to cultivators for improving the yield?

The Honourable Dr. Rajendra Prasad: It is being distributed in some places through co-operative societies, in other places through government agencies. Other agencies are also employed for the purpose of distribution.

Shri T. A. Ramalingam Chettiyar: Have the Government considered the question of regulating the rotation of crops with reference to the Grow More Food campaign?

The Honourable Dr. Rajendra Prasad: The rotation of crops is very difficult to be regulated by Government. We have not got any all-India plan by which we could regulate the rotation of crops. It is done by the individual cultivator, and as we have got such a large body of cultivators it is not possible from the Centre to regulate the rotation or the growing of particular crops in particular periods.

Prof. N. G. Ranga: Are Government aware that owing to the controls put on the movement of oilcakes in South India and also the non-availability of iron for the manufacture of agricultural implements, the Grow More Food campaign is considerably impeded?

The Honourable Dr. Rajendra Prasad: I am aware that the Grow More Food campaign has suffered from non-availability of certain material.

Prof. N. G. Ranga: Owing to the controls put on the movement of oilcakes from one district to another oilcake is rotting in the factory premises whereas the agricultural producers are suffering for want of oilcake for manurial purposes.

The Honourable Dr. Rajendra Prasad: We have removed all control from oil and oilseeds, and I do not think there is any control on oilcakes.

Seth Govinddas: As far as irrigation is concerned, are Government thinking of investigating where tube wells can be successfully put in different parts of the country?

The Honourable Dr. Rajendra Prasad: Yes. The question has been under investigation and we have got a separate Officer and a separate Department working under him for the purpose of investigating this and putting tube wells wherever they can be found suitable.

Dr. V. Subrahmanyam: Is it a fact that while big agriculturists by recommendation or otherwise are able to get large quantities of manure distributed to them while, small agriculturists are not in a position to do so and are finding it difficult to get even one bag of manure?

The Honourable Dr. Rajendra Prasad: I have no information apart from what the Honourable Member has said. But it may be true that bigger people have advantages which smaller people may not have.

Shri M. S. Anay: Can the Honourable Minister say whether any officer in charge of these tube well operations was deputed to the Central Provinces; particularly to find out the possibility of irrigating lands in those parts of the Province which are not well supplied with water?

The Honourable Dr. Rajendra Prasad: He has been charged to have investigations made throughout the country. I could not answer off hand what steps he has taken with reference to the Central Provinces.

Begum Aizaz Rasul: May I know if the Government feel that the results achieved by this Grow More Food campaign justify the amount of money spent by Government?

The Honourable Dr. Rajendra Prasad: It is a question of policy in this respect.

Begum Aizaz Rasul: I want to know the Government's opinion.

The Honourable Dr. Rajendra Prasad: Government is satisfied with the results.

PLANNING AND DEVELOPMENT OF CROPS IN INDIA.

330. *Prof. N. G. Ranga: Will the Honourable Minister of Agriculture be pleased to state:

(a) whether there is any directorate in the Ministry of Agriculture or Food for studying the manner in which the various crops are being raised in the different provinces, from year to year, in relation to the areas under them, their yields and their prices;

(b) whether any effort is sought to be made by Provincial Governments or the Central Government to bring about voluntary or statutory crop planning; and

(c) whether Government propose to hold a Crop Planning Conference to study the ways and means for a more useful and profitable crop development in India, to make the best use of our lands and to afford the largest incomes and wages to our peasants and agricultural workers, respectively?

The Honourable Dr. Rajendra Prasad: (a) The Economics and Statistics Section in the Ministry of Agriculture maintains statistics of the area, yield and prices of principal crops raised in different Provinces from year to year. The reorganisation of this Section so as to cover the entire sphere of agricultural statistics is under consideration.

(b) At present there is no overall voluntary or statutory crop planning either by Provincial Governments or the Central Government, in the sense of aiming to attain specific pre-determined acreage and production targets in respect of each crop. The 'Grow More Food' plans of the Government of India are, however, designed to increase the production of food crops to the maximum extent, and in this connection, some Provinces have made statutory provision for limiting the growth of non-food crops.

(c) Government do not consider that any useful purpose will be served by calling a Crop Planning Conference until the agricultural development plans

which have already been prepared are put into operation and overall agricultural production has increased to a sufficient extent to permit of planned expansion or curtailment in respect of different crops. Moreover, crop planning involves enforcement of an accepted plan which will need provincial legislation. Unless all areas including acceding States simultaneously agree and enforce the plan, it will not serve any useful purpose.

Prof. N. G. Ranga: Is it not a fact that several Committees and Commissions have already drawn the attention of the Government to the very defective nature of their agricultural statistics and have asked Government to take steps to improve the statistics?

The Honourable Dr. Rajendra Prasad: As I have said, steps are being taken to improve the work of the Economics and Statistics Section.

Prof. N. G. Ranga: In view of the fact that again and again for the last six or seven years the answer has been given that 'steps are being taken', will Government take some energetic steps to see that something is really done in the near future?

The Honourable Dr. Rajendra Prasad: I may inform the Honourable Member that in two Provinces at least—the whole of Bengal and Bihar—plot to plot survey has been made in the last two years and statistics were collected. They were compared with the statistics which are collected normally in the ordinary course. The results have not been found always to tally. Evidently improvement is required and that is what is being done.

Prof. N. G. Ranga: Is it not possible for Government to hold such a conference as is suggested here and then give advice to the growers as to the growing of which crops will be more profitable, more patriotic and so on? If I may supply some information, there is the tobacco crop today. The market is completely dull and the bottom has gone out of it, and people are faced with bankruptcy. If Government is in a position to supply information to these people and warn them in time it will be possible to prevent such catastrophe.

The Honourable Dr. Rajendra Prasad: It all assumes that the Government have the necessary information in time to give warning to the people. But I suppose the ordinary agriculturist gets the warning perhaps more promptly than the Government itself.

Shri M. Ananthasayanam Ayyangar: Is it a fact that during last year a large acreage under foodgrains has been converted for the growing of commercial crops?

The Honourable Dr. Rajendra Prasad: I understand that is so in Madras.

Shri M. Ananthasayanam Ayyangar: May I know what steps are taken by that Government to decrease the acreage of commercial crops and increase the acreage of food crops?

The Honourable Dr. Rajendra Prasad: The food situation is such that we trust the local Government will take the necessary steps to improve the food production.

UTILIZATION OF RAILWAY BRIDGES FOR VEHICULAR AND PEDESTRIAN TRAFFIC

321. ***Shri B. A. Mandloi:** Will the Honourable Minister of Railways be pleased to state whether Government propose to consider the question of converting important railway bridges on the State-owned Railways into bridges for dual purposes, viz., rail, and other vehicular and pedestrian traffic with a view to developing road traffic and to save extra costs on construction of separate bridges over roads?

The Honourable Dr. John Matthai: The Government have always been prepared to consider this question.

Decisions taken must however depend to a large extent upon the capacity of of structures to carry the extra loads which the addition of road decks would imply.

Dr. P. S. Deshmukh: May I know what steps are being taken to permit motor traffic over the Narbada bridge between Khandwa and Indore?

The Honourable Dr. John Matthai: That does not arise out of the question. I believe there is a question on that coming later.

ROAD TRANSPORT ON B. B. & C. I. AND G. I. P. RAILWAY BRIDGES OVER THE NERBUDDA

332. *Shri B. A. Mandloi: Will the Honourable Minister of Railways be pleased to state whether Government propose to examine the feasibility of adding road transport on the following railway bridges:

(i) the Nerbudda bridge on the B. B. and C. I. Railway (metre gauge) between Mortakka and Barwaha Railway Stations; and

(ii) the Nerbudda bridge on the G. I. P. Railway section between Vikrampur and the Marble Rock Stations?

The Honourable Dr. John Matthai: No request for adding roadway facilities to these two bridges, has been received from any Civil Authority. The Government of India would be prepared to examine the feasibility of these proposals, if requested to do so, by the Road Authority concerned with whom the initiative for such proposals rests.

IMPORT OF FOODGRAINS FROM ABROAD AND ALLOCATION TO PAKISTAN

333. *Pandit Lakshmi Kanta Maitra: (a) Will the Honourable Minister of Food be pleased to state the total volume of food-stuffs that have been procured from outside India during the current year up to the middle of November 1947?

(b) What are the categories of food stuffs that have been imported from different countries and what are their respective quantities?

(c) What is the total value of these imports?

(d) Has any portion of these food-stuffs been procured by exchange of commodities from India? If so, what is the nature of such transactions?

(e) What portions of the imported food-stuffs have been allocated to Pakistan and what is their total value?

(f) Is it a fact that the Government of Pakistan is also importing food-stuffs from abroad independently of the Government of India?

(g) If so, is it done without any previous reference to the Indian Dominion, and has it affected in any way the position of the Government of India in the matter of procurement of food from foreign countries?

The Honourable Dr. Rajendra Prasad: (a), (b) and (c). A statement is laid on the table of the House

(d) A quantity of 4.4 lakh tons of foodgrains has been contracted for from Argentina against 60,000 tons of Hessian. 15,300 tons of foodgrains were received from Aden, Abyssinia and Iraq against quotas of 42 lakhs yards of textiles given in part cost of the grain.

(e) One shipment of 8,687 tons of wheat was given to Pakistan in November, 1947. The value of this shipment is approximately 26 lakhs. A quantity of 15,000 tons of Cuban sugar was allocated to Pakistan. The approximate cost of this sugar is Rupees 81 lakhs.

(f) Pakistan has imported a small quantity of rice from Burma. So far as the Government of India are aware no other imports of foodgrains have been made by Pakistan.

(g) Pakistan as an independent Member of the I.E.F.C. has a right to ask the council for allotment of foodgrains. The position of the Government of India is not affected by any demand placed by Pakistan on the I.E.F.C.

Statement of foodstuffs imported from January to November 15, 1947

Country	Kind of food-stuffs	Quantity (in '000 tons)	Value (in lakhs of rupees)
Australia	Wheat	151	568
East Africa	"	15	39
U. S. A.	"	312	1240
Abyssinia	"	3	6
Argentina	"	6	40
Turkey	"	83	448
Canada	Flour	90	521
Australia	"	13	73
Ceylon	"	8	48
U. S. A.	"	73	367
Burma	Rice	353	1630
Egypt	"	30	198
Saigon	"	7	33
Brazil	"	43	248
Siam	"	15	63
French Indo-China	"	2	11
Java	Paddy	10	16
Abyssinia	Maise	1	2
Iraq	"	4	2
U. S. A.	"	21	66
Turkey	"	5	18
Burma	"	11	30
East Africa	"	1	3
Argentina	"	118	413
Iraq	Barley	74	243
Turkey	"	37	150
Argentina	"	32	113
Australia	"	18	61
Iraq	Millets	10	25
Australia	"	7	2
East Africa	"	2.9	10
Ceylon	"	1	3
Argentina	"	3	8
Abyssinia	"	7	13
Egypt	"	1	1
U. S. A.	Milo	457	1346
Ceylon	"	9	28
Canada	Oats	8	22
Argentina	"	3	1
			Total cost
			81.06
Cuban	Sugar	30	1.62 crores

Pandit Lakshmi Kanta Maitra: Was any arrangement arrived at between the Indian Dominion and the Pakistan Dominion before partition as to the future distribution and allocation of food stuffs that should be acquired by the Government of India from foreign countries?

The Honourable Dr. Rajendra Prasad: It was agreed that existing arrangements should continue.

Pandit Lakshmi Kanta Maitra: Do I take it, Sir, that the Pakistan Government is allowing exchange of commodities such as jute and jute mixtures for procurement of foodgrains? Are they allowing that?

The Honourable Dr. Rajendra Prasad: I am not aware of that. I do not think they are exchanging jute for foodgrains.

Pandit Lakshmi Kanta Maitra: Is the Honourable Member aware that last year a huge quantity of hessian went to Brazil and Argentine for getting food crops? Are these arrangements possible even now?

The Honourable Dr. Rajendra Prasad: As a matter of fact we ourselves have arranged with Argentine for import of foodgrains in exchange of jute products, but I do not know if Pakistan has done that. It is open to them to have that kind of arrangement if they so desire.

Pandit Lakshmi Kanta Maitra: Is it obligatory on the Government of India to pass on a portion of the foodgrains so acquired to Pakistan under any arrangement?

The Honourable Dr. Rajendra Prasad: No, I think our obligation now is to our own territory.

Seth Govinddas: Did the Government approach Russia for foodgrains, and if so, what reply has been received from them?

The Honourable Dr. Rajendra Prasad: We have approached Russia and the matter is still under negotiation. We have not reached a decision.

Shri S. Nagappa: May I ask Government whether there is any scheme under the contemplation of Government to make India self-sufficient so far as food is concerned? If so, when can we expect it?

The Honourable Dr. Rajendra Prasad: The idea is to make India self-sufficient as to when we shall succeed in doing so is more than I can say at present.

Shri S. Nagappa: What attempts did Government make to make India self-sufficient in food?

Mr. Speaker: We are now getting into argument. Next question.

GOVERNMENT CONTROL OVER NEW AIR SERVICES CONCERNS

†334. ***Prof. N. G. Ranga:** Will the Honourable Minister of Communications be pleased to state:

(a) whether it is a fact that new air services have been licensed and that they have started functioning since 1945;

(b) the main centres between which air services operate today;

(c) the number of concerns which are predominantly owned and managed by Indians; and

(d) the nature of control Government have over these concerns regarding distribution of profits, service conditions for their employees, safety conveniences, rest places, hospitals and other facilities provided for passengers?

The Honourable Mr. Rafi Ahmad Kidwai: (a) Yes.

(b) I lay on the table of the House a statement showing the air services which are in operation at present.

(c) All the air transport companies shown in the statement are predominantly owned and managed by Indians.

†Answer to this question laid on the table, the questioner having exhausted his quota.

(d) Part XIII of the Indian Aircraft Rules, 1937, provides that no scheduled air transport service may be operated in India without a licence granted for the purpose by the Air Transport Licensing Board. The system of licensing prescribed in the Rules ensures proper organization and equipment of air routes, competency of personnel, airworthiness of aircraft and other safety factors. The Air Transport Licensing Board have power to control the fixation of passenger fares, air mail rates and freight charges and thus have control over the profits distributed by the Operating Companies. The Government have no direct control in the matter of service conditions of the employees of the companies. Rest places and other facilities for passengers are provided as a part of Government's Aerodrome Organization.

Statement showing the Regular Air Services in Operation at Present

S. No.	Route	Frequency of Services	Company
1	Bombay—Madras	5 times a week	Air India Ltd., Bombay.
	Karachi—Bombay	7 times a week	
	Bombay—Delhi (non-stop)	7 times a week	
	Karachi—Ahmedabad—Bombay—Hyderabad—Madras—Colombo.	7 times a week	
	Bombay—Ahmedabad—Jaipur—Delhi	7 times a week	
	Bombay—Calcutta	7 times a week	
	Madras—Bangalore—Coimbatore—Cochin—Trivandrum.	6 times a week	
2	Delhi—Jodhpur—Karachi	7 times a week	Indian National Airways Ltd., New Delhi.
	Lahore—Bikaner—Jodhpur—Ahmedabad (Under suspension).	2 times a week	
	Calcutta—Delhi—Lahore	7 times a week	
	Delhi—Amritsar	7 times a week	
	Calcutta—Rangoon	6 times a week	
3	Bombay—Junagadh (Keahod)—Jamnagar—Bhuj—Karachi.	7 times a week	Air Services of India Ltd, Bombay.
	Bombay—Bhopal—Cawnpore—Lucknow. (Under suspension.)	7 time a week	
	Jamnagar—Wadhwan—Wankaner—Ahmedabad.	1 time a week	
	Bombay—Gwalior—Delhi	6 times a week	
	Bombay—Bhavnagar	3 times a week	
Bombay—Porbandar—Jamnagar—Bhuj	2 times a week		
4	Delhi—Gwalior—Bhopal—Nagpur—Hyderabad—Madras.	7 times a week	Deccan Airways Ltd., Begumpet.
	Hyderabad—Bangalore	4 times a week	
	Hyderabad—Bombay	7 times a week	
5	Bombay—Nagpur—Calcutta	7 times a week	Mistri Airways Ltd. Bombay.
6	Bombay—Baroda—Ahmedabad	2 times a week	Ambica Air Lines Ltd., Bombay.
	Bombay—Rajkot—Morvi	7 times a week	
7	Calcutta—Vizagapatam—Madras—Bangalore.	3 times a week	Airways (India) Ltd., Calcutta.
8	Delhi—Lucknow—Gaya—Calcutta	3 times a week	Bharat Airways Ltd., Calcutta.
	Calcutta—Cawnpore—Allahabad—Delhi	4 times a week	
	Delhi—Amritsar	4 times a week	
	Delhi—Lucknow	3 times a week	

AIR SERVICES BETWEEN HYDERABAD AND GANNAVARAM AND GANNAVARAM AND CALCUTTA

†335. *Prof. N. G. Ranga: Will the Honourable Minister of Communications be pleased to state:

(a) whether there are any air service companies which are willing to run air services between Hyderabad and Gannavaram (Bezwada) to connect Bombay and Delhi with Bezwada and between Calcutta and Gannavaram; and

(b) whether Government propose to take any steps to facilitate the use of Gannavaram aerodrome as one of the principal halting places for one or more air services?

The Honourable Mr. Rafi Ahmad Kidwai: (a) No air transport companies have applied for licences for the operation of scheduled air services between Hyderabad and Gannavaram (Bezwada). The Mistry Airways Limited, the Airways (India) Limited and the Jupiter Airways Limited have applied to the Air Transport Licensing Board for the grant of licences for the operation of air services between Calcutta and Madras with Bezwada as one of the scheduled halts. These applications will be considered by the Board shortly.

(b) The aerodrome at Gannavaram is not yet properly equipped for the operation of a scheduled air service. It is scheduled for eventual development as an intermediate aerodrome, but having regard to the requirements of India as a whole, it occupies a comparatively low priority in Government's programme of Aerodrome Construction.

INSTALLATION OF TRUNK TELEPHONE EXCHANGE AT BHADRACHALAM

†336. *Prof. N. G. Ranga: Will the Honourable Minister of Communications be pleased to state:

(a) whether Government are aware that Bhadrachalam in South India is a very important pilgrim centre and also a place centrally situated within the Agency as well as an important town of Hyderabad State;

(b) whether Government have received any representation for the installation of a Trunk Telephone Exchange at this place; and

(c) whether Government propose to consider the advisability of installing a Trunk Telephone Exchange at this place in view of its strategical and commercial importance?

The Honourable Mr. Rafi Ahmad Kidwai: (a) Yes.

(b) A request for a Public Call Office at Bhadrachalam was received from the members of the Pilgrim's Board.

(c) The proposal has been examined but it was dropped on account of its being unremunerative. It will again be considered in connection with the Development programme of the Department and if it is not found feasible to provide trunk telephone facilities and additional channels of communication are found to be necessary, a wireless transmitting and receiving set will be installed.

CONSTRUCTION OF AERODROME AT ANANTAPUR IN RAYALASEEMA

†337. *Prof. N. G. Ranga: Will the Honourable Minister of Communications be pleased to state:

(a) whether Government propose to consider Anantapur in Rayalaseema (Ceded Districts) for one of the halting places on the air-routes between Bombay and Madras and Bombay and Bangalore, etc., and

†Answer to this question laid on the table, the questioner having exhausted his quota.

(b) if so, when Government propose to take up the construction of an aerodrome at that place?

The Honourable Mr. Rafi Ahmad Kidwai: (a) and (b). There is no aerodrome at Anantapore nor do the present plans of Government for civil aviation development include the provision of an aerodrome there. The services at present operating between Bombay and Madras and Bombay and Bangalore are through air services and are not intended to serve intermediate towns of secondary importance making Anantapore a halting station on a through route would be a matter for decision by the Air Transport Licensing Board.

PRODUCTION AND IMPORT OF SALT IN INDIA SINCE THE ABOLITION OF SALT DUTY

†338. ***Prof N. G. Ranga:** Will the Honourable Minister of Industry and Supply be pleased to state:

- (a) whether India has achieved self-sufficiency in salt production;
- (b) if not, to what extent she is dependent upon imports;
- (c) what the production position is since salt duty has been abolished;
- (d) when controls on salt production will be removed;
- (e) whether the price of salt has come down and if so, to what extent since the duty has been removed; and
- (f) in what provinces and to what approximate extent is salt being freely manufactured by the people?

The Honourable Dr. Syama Prasad Mookerjee. (a) No.

(b) The present production of salt in the country including Kathiawar and Travancore is about 5 crore maunds and the consumption including States is 5½ crore maunds: the difference represents the dependence of this country upon imported salt

(c) Production has increased in Government works in Rajputana and in private factories in Madras. In Rajputana production has risen from the average of 1 crore 8 lakh maunds to 1 crore 40 lakh maunds this year and in Madras from the average of 1 crore 88 lakh maunds to 1 crore 65 lakh maunds. Unfortunately in Bombay production fell from 115 lakh maunds to about 60 lakh maunds owing to cyclones, unseasonal rains and labour and communal troubles.

(d) It is Government's intention to issue a Salt Control Order very shortly. Control of production in the sense of discouraging the opening of new factories or extending existing factories is being removed. The control of production envisaged by the Salt Control Order will be designed to secure conditions which would result in increased production of salt and improvement in quality of the salt produced.

(e) The price of salt has come down in some parts of the country since the duty has been removed. The areas in which it has come down and the extent of the drop is:—

Assam and Bengal	. Average fall of -1.6 per seer.
Madras	. Average fall of -1.6 per seer
North C. P., Ajmer and Gujrat	. Average fall of -1.6 per seer.

(f) Salt is being freely manufactured by people in the coastal areas of Orissa and Bengal. The extent of the manufacture can be estimated at about 5 lakh maunds per year. In Madras manufacture of salt by people under the Gandhi-Irwin pact has been controlled to allow them enough salt for their own and surrounding villages. Over a lakh of maunds of salt are made under these conditions in the province. It is proposed to remove all

† Answer to this question laid on the table, the questioner having exhausted his quota.

restrictions on private manufacture of salt, Government control being retained only on organised manufacture.

MANUFACTURE OF SUGAR BY CENTRIFUGAL OPEN PLANT SYSTEM

339. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Agriculture be pleased to state Government's policy regarding the manufacture of sugar by centrifugal open plant system?

(b) Is it a fact that manufacture of sugar by this process is prohibited?

(c) Are Government aware that such a plant was started at Chhindwara in Central Provinces?

(d) Is it a fact that the Central Excise Department ordered it to be closed down?

(e) Do Government propose to lay on the table of the House a statement giving all the relevant facts of the case?

The Honourable Dr. Rajendra Prasad: (a) The Sugar Control Order covers all kinds of sugar (sugar being defined as anything containing 90 per cent or more of sucrose by weight), and the Government have been regulating the production, movement and prices of factory made, that is, vacuum pan sugar only. The Honourable Member is presumably referring to *khandsari* sugar produced by the open pan system. This is the concern of the Provincial Governments concerned.

Khandsari is important only in the United Provinces where it is produced in large quantities, about a lakh of tons annually. In other Provinces, it is produced in very negligible quantities. The policy of the U. P. Government has not been to discourage its production except in factory areas.

(b) No. Except, perhaps, in Bombay where it is understood, *khandsari* manufacture was prohibited last year.

(c) Government have no knowledge of this.

(d) No.

(e) Does not arise.

Beth Govinddas: Is the Government thinking of removing all control from sugar in the near future?

The Honourable Dr. Rajendra Prasad: We have already taken a decision to decontrol sugar and *gur*.

Pandit Lakshmi Kanta Maitra: With effect from?

The Honourable Dr. Rajendra Prasad: It is being worked out in the department.

NATIONALIZATION OF INDUSTRIES

340. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Industry and Supply be pleased to lay on the table of the House a statement embodying the policy of Government so far as nationalization of industries is concerned?

(b) Is there any scheme under contemplation of Government for this purpose? If not, do Government propose to take up the matter now?

The Honourable Dr. Syama Prasad Mookerjee: (a) and (b). A Statement of industrial policy was issued by the Government of India in April, 1945 and referred amongst other things to the question of nationalisation. The whole

subject is, however, now being reconsidered and Government hope to make an announcement shortly.

Dr. P. S. Deshmukh: Within what period is the announcement likely to be made? 'Shortly' can be interpreted to mean anything.

The Honourable Dr. Syama Prasad Mookerjee: In the course of the next one or two months.

INDUSTRIALIZATION OF INDIA

341. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether Government are aware that many experts from foreign countries are available for industrialization of India?

(b) If so, what steps have Government taken so far, to obtain the services of such experts?

(c) Do Government propose to make a plan of intensive manufacture of machinery extending over a definite period?

(d) Have Government done anything in the matter so far?

(e) If not, when do Government propose to move in the matter?

The Honourable Dr. Syama Prasad Mookerjee: (a) first class experts are difficult to get from foreign countries on account of rehabilitation that is going in those countries, but some experts are available for work in India, specially from Germany.

(b) to (e). Various industrial concerns in India were circularised to estimate their requirements of technical personnel to be recruited from abroad. Replies were received from a very large number of firms requiring over 200 experts of different kinds. These requirements of various industries were communicated to the Indian Military Mission in Berlin who have made necessary enquiries. Some firms have been able to secure suitable experts and necessary travel facilities have been given to bring these experts over to India. Steps are also being taken to get some experts from Japan on the requisition of industries. Industries have also been helped to get experts from America on a short-term basis. Several nationals of enemy countries, who were interned in India during the war have been made available to various industries requiring their services.

Government had constituted a Panel on "Industrial Plant & Machinery" industry. The Report of the Panel is now under examination. Meanwhile, the question whether this industry should be selected for short-term execution will be discussed with Provinces and important Indian States at a conference proposed to be held early in December.

Pending the formation of such a plan the Government of India sponsored in 1946 a delegation to the U. K. under the chairmanship of Mr. Krishnaraj Thackersey with a view to establishing a Textile Machinery manufacturing concern in the country. An agreement was reached between this Delegation and the U. K. firm of Textile Machinery Manufacturers, and a Company has been formed under the name of National Machinery Manufacturers Ltd. This Company will shortly set up its plant near Bombay.

Attempts are being made to make available the surplus resources of Ordnance Factories for the manufacture of machinery requirements of industries, and, in some cases, the industries have availed themselves of this opportunity. All schemes for expansion of manufacturing facilities submitted to Government have been supported and technical advice has been given in many cases to modify the plants to suit the country's requirements. Bids have

been made for securing suitable plant and equipment from Germany for extending the manufacture of machines in India. Four officers of I. and S. Ministry are helping in selecting equipment and machinery from Germany. Some of these plants have already arrived and are being allocated to various industries. Along with these plans, a certain number of foreign technicians are also being brought in on a contract basis.

Shri Gopikrishna Vijayavargiya: Is there any idea of getting experts from Russia also?

The Honourable Dr. Syama Prasad Mookerjee: Yes, if they are available.

Dr. P. S. Deshmukh: May I take it that a definite plan for the manufacture of machinery would be available within a short time to the public?

The Honourable Dr. Syama Prasad Mookerjee: We are working on that line.

Mr. B. Paker Sahib Bahadur: May I know whether the Government has made any effort to get experts from America?

The Honourable Dr. Syama Prasad Mookerjee: Yes, that is what I have stated.

Shri M. Ananthasayanam Ayyangar: May I know from the Honourable Minister whether 50 per cent of the capital is invested in foreign countries and whether managing agency also ought to be given to them?

The Honourable Dr. Syama Prasad Mookerjee: No decision on those points has been taken, but each case will be considered on its merits, and the interests of Indian capital will be safeguarded.

Shri M. Ananthasayanam Ayyangar: With regard to the textile manufacturing plan to be established in India and the arrangement which the Honourable Member said is being entered into by Mr. Thackersay with some firms in the United Kingdom, I would like to know whether one of the conditions of that arrangement is that the United Kingdom people should have a share in the capital and also whether they would have their own managing agency?

The Honourable Dr. Syama Prasad Mookerjee: Well, that is a matter for private arrangement but I think their share in the capital will not exceed 30 per cent.

Shri M. Ananthasayanam Ayyangar: Is it not one of the terms of the Fiscal Policy Commission Report that foreign capital and foreign managing agents ought not to be allowed in this country except on special terms and for a special period, and also except with the approval of the Central Government? If so, what steps are the Government taking to scrutinise the arrangements before they are finalized?

The Honourable Dr. Syama Prasad Mookerjee: So far as this particular enterprise is concerned, the foreign capital will not exceed 26 to 30 per cent. So far as the other aspects of the question are concerned, Government will see to it that Indian interests are in no way prejudiced.

Pandit Lakshmi Kanta Maitra: The Honourable Member said that some of the Ordnance Factories have been closed down and their equipment has been made available for the manufacture of machinery. How many Ordnance Factories have been closed down?

The Honourable Dr. Syama Prasad Mookerjee: Sir, I cannot give definite information—Ordnance Factories are under the Defence Ministry.

Mr. Speaker: I am afraid it hardly arises out of this question.

Pandit Lakshmi Kanta Maitra: Did I understand the Honourable Member, in the course of his reply, to say that it is the policy of the Government to close down some of the Ordnance Factories and to utilise their equipment for the manufacture of machinery?

The Honourable Dr. Syama Prasad Mookerjee: Sir, it is really a matter for the Defence Ministry.

Dr. P. S. Deshmukh: Will the Government be pleased to state if they have approached any friendly foreign Government to open a machinery manufacturing plant in this country?

The Honourable Dr. Syama Prasad Mookerjee: We are negotiating with different countries. Of course we have not been able to achieve any results which I can report to the House but that is a matter which is being seriously considered by the Government.

Shri K. Sathyanam: May I know, Sir, if Government are aware that the development of machine tool manufacturing in this country is being impeded by the lack of facilities for high grade training in machine drawing and designing?

The Honourable Dr. Syama Prasad Mookerjee: That also is under consideration.

PROJECT TO CONNECT AMRAOTI WITH NARKHED BY RAIL

342. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Railways be pleased to state whether Government are aware that there was a proposal to connect Amraoti with Narkhed by rail?

(b) If so, what has happened to this project?

(c) Is there any possibility of its being taken up again?

(d) Are Government aware that this project would be highly helpful for the development of the areas through which the railway line would pass?

(e) Are Government aware that much of the tract through which it will pass is in great need of better facilities of transport?

The Honourable Dr. John Matthai: (a) Yes.

(b) The Project is under investigation.

(c) Does not arise.

(d) This is under examination.

(e) This question will be settled by the Central Board of Transport when the Project is considered by them in close co-relation with facilities existing or anticipated in the alternative forms of surface transport.

Shri M. S. Aney: May I ask the Honourable Member, on his reply to clause (a), whether a scheme for the Amraoti-Narkhed line had already got very high priority even as back as back as 1980?

The Honourable Dr. John Matthai: That is perfectly true, Sir. But the whole question has had to be reconsidered in the light of present circumstances and what we have done now is to call for a report from the Railway concerned which is the G. I. P. Ry. I think portions of that report have already been received and we are having the whole scheme submitted to further examination from the point of view of whether it will be remunerative for the Railway to construct this new line.

Shri M. S. Aney: Is the Honourable Member aware that a survey had already taken place about the Amraoti-Narkhed line? Do they contemplate to have another survey made?

The Honourable Dr. John Matthai: Before we come to a final decision on that question, there are certain points arising from the present circumstances of railways which have to be taken into account. I will tell the Honourable Member briefly what they are. First of all, at present the Railways have to be careful with regard to the money that they allot for fresh capital expenditure, due to the financial position of the Railways. Secondly,

there is a more vital question: in view of the prevailing scarcity of building materials of all kinds, it is necessary for the Railways to take care that their new construction lines are such as are really called for by the traffic requirements of the area. Because, as the Honourable Member is aware, new railway construction makes a very big demand on the existing supply of building materials and, therefore, the Railways in the public interest have to be extremely careful in this matter.

PROJECT TO CONNECT AMRAOTI WITH BOMBAY-NAGPUR MAIN LINE

343. *Dr. P. S. Deshmukh: (a) Will the Honourable Minister of Railways be pleased to state what steps, if any, are being taken to place Amraoti on the main line between Bombay and Nagpur?

(b) What is the present position of the project?

The Honourable Dr. John Matthai: (a) The question of diverting the main line between Bombay and Nagpur via Amraoti has been investigated recently, and in view of the poor financial prospects revealed by the Traffic Report, the Project has been dropped.

(b) As already stated in reply to part (a), the Project has been dropped.

IMPROVEMENT OF TELEPHONE SERVICE IN DELHI

344. *Shri Mohan Lal Saksena: Will the Honourable Minister of Communications please state whether Government propose to take any steps to improve the present telephone arrangements in Delhi? If so, what?

The Honourable Mr. Rafi Ahmad Kidwai: Yes, Sir. The following steps have already been taken or are being taken to improve the telephone service in Delhi:

(i) Replacement of time-worn equipment of 1500 lines at Secretariat Exchange by 2000 lines at Connaught Place exchange. This may be completed by the end of August, 1948.

(ii) Attempts are being made to replace the time-worn equipment of 1670 lines in the Lothian Exchange.

(iii) With the partition of India, a large number of trained mechanics have left for Pakistan. Arrangements are being made for training of new staff.

(iv) A number of experienced telephone engineers have been posted at Delhi. The telephone service is showing signs of improvement and further improvement is expected in the near future.

Shri Deshbandhu Gupta: When do Government propose to restore the telephone connections that were recently cut off?

The Honourable Mr. Rafi Ahmad Kidwai: So far as I know all the connections that were recently cut off have been restored.

Pandit Hirday Nath Kunru: Who has told the Honourable Member that the telephone service in Delhi has improved recently?

The Honourable Mr. Rafi Ahmad Kidwai: My personal experience.

Mr. B. Paker Sahib Bahadur: Is the Government aware, Sir, that whenever the Government has undertaken the telephone enterprise, it has failed and that it has got on very unsatisfactorily—not only now but even before partition?

Shri Mohan Lal Saksena: Is the Honourable Member aware that his own telephone is out of order for hours every day?

Shri H. J. Khandekar: Is the Honourable Member aware of the fact that any telephone conversation between two persons is heard by a third one?

DELEGATIONS SENT FOR PROCUREMENT OF FOOD-GRAINS FROM ABROAD

345. *Mr. R. K. Sidhwa: Will the Honourable Minister of Food be pleased to state:

(a) the name of the Delegations sent to the various countries from the 1st August, 1946 to the 31st October, 1947, by the Government of India for the purpose of procuring foodgrain of all kinds;

(b) the result of each Delegation and the quantity of foodgrains actually procured and received in various parts of India together with the names of the ports they were received at;

(c) the total cost paid to the sellers of such quantity of grain imported into this country; and

(d) the expenses incurred by Government in sending each delegation to foreign countries, separately?

The Honourable Dr. Rajendra Prasad: (a) (1) Food Mission to Argentine in September 1946 led by Diwan Chaman Lal.

(2) Visit to Middle East and Abyssinia in September 1946 by an officer of the Food Ministry, Mr. Ijaz Ahmed.

(3) Food Mission to Argentine in August 1947 led by Mr. J. Vesugar.

(4) Visit to Iraq and Iran in September 1947 by an officer of the Food Ministry, by H. L. Khanna.

(5) Food Delegation to Australia in October 1947 led by Sir Raghunath Paranjapye.

(b) (1) Government of India had purchased 8,60,000 tons of foodgrains in Argentine out of which there was difficulty in obtaining export permits for about 3,20,000 tons. Diwan Chaman Lal Mission succeeded in obtaining export permits from the Argentine Government for this quantity.

(2) The visit of Mr. Ijaz Ahmed to Middle East and Abyssinia was of an exploratory character to find out the extent and possibilities of obtaining foodgrains from these countries. As a result of this visit it was possible to make purchases of foodgrains through private trade from Aden and Ethiopia on the basis of part payment of cost of the foodgrains in textiles

(3) Vesugar Mission was able to procure 6.5 lakh tons of foodgrains from Argentine.

(4) Mr. Khanna was able to purchase 12,700 tons of barley from Iraq. Negotiations with Iran Government for purchase of barley were not successful.

(5) The negotiations with the Australian Government for supply of wheat are still proceeding.

Out of 6.5 lakh tons of foodgrains purchased by Vesugar Mission a quantity of about 19,000 tons has already arrived in India. The name of the ports at which this consignment was cleared and its allocation to various parts of India are given below:—

Kind of grain	Quantity in tons	Port of clearance	Allocation	
Wheat	9300	Madras	6000	
			3300	
		Calcutta	Bihar	1000
			Orissa	500
			Collieries	800
		Depot	1000	
Maize	9528	Bombay	U. P.	4000
			Bombay	2528
			Hyderabad	2999

Total quantities which have left Argentine upto 20th November 1947 are :—

Wheat	57,281 tons
Maize	119,794 tons
Barley	69,792 tons

(c) 440,000 tons of grains received from Argentine was on a barter basis against 60,000 tons of hessian to be supplied by India. The exact cost of grain cannot, therefore, be worked out yet. In approximate figures the c.i.f. price of all the 650,000 tons of grains would work out to Rs. 15 per maund.

The c.i.f. price of Iraq barley purchased by Mr. Khanna works out to Rs. 13 per maund.

- (d) (1) Diwan Chaman Lal's Delegation—Rs. 72,000 appr.
 (2) Mr. Ijaz Ahmed's visit to Iraq and Abyssinia—Rs. 6,500 appr.
 (3) Mr. Vesugar's Mission—Rs. 33,900 appr.
 (4) Mr. Khanna's visit to Iran and Iraq—Rs. 7,000 appr.
 (5) Mr. Vishnu Sahay's delegation—Rs. 25,000 appr.

Total	Rs. 1,44,400.
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POISONOUS BURMA BEANS IMPORTED INTO MADRAS

346. *Mr. R. K. Sidhwa: (a) Will the Honourable Minister of Food be pleased to state whether it is a fact that the Government of India had imported Burma beans for Madras, which were found to contain hydrogencyanic poison?

(b) If so, is it a fact that several persons fell ill and some also died?

(c) To which parts of India other than Madras, were these beans also supplied?

(d) From whom were these beans purchased and what action have Government taken against the sellers?

(e) Have Government taken any steps to see that in future no such beans are imported in any part of India?

The Honourable Dr. Rajendra Prasad.—(a) The Government of India did not import any Burma beans. A quantity stated to be about 16,000 tons was imported by the trade in Madras on their own account.

(b) The Madras Government reported that a number of people were taken ill by eating these beans. It is not known if any person actually died.

(c) The stocks in Madras were frozen by the Madras Government and the quantity has not been allowed to be moved to any other part of the country.

(d) and (e). Government of India have no information about the actual sellers in Burma as the beans were not imported by them. Imports of Beans of all kinds is at present completely banned.

EXPENDITURE ON TEXTILE, IRON STEEL AND OTHER CONTROL DEPARTMENTS

347. *Mr. R. K. Sidhwa: Will the Honourable Minister of Industry and Supply be pleased to state the total expenditure per year, on maintenance of the following Control Departments.

(i) Textile Department;

(ii) Steel and Iron Department; and

(iii) other such departments, which come within the purview of the Honourable Minister?

The Honourable Dr. Bhamu Prasad Mookerjee: (i) Rs. 41,57,000.

(ii) Rs. 27,48,865.

(iii) Other controls administered by the Ministry of Industry and Supply at present relate to Coal and Newsprint. Annual expenditure in respect of these are:—

(a) Coal—Rs. 17,40,192.

(b) Newsprint—Rs. 87,595.

SUPPLY OF CHEMICAL FERTILIZERS TO AGRICULTURISTS

343. *Shri V. I. Munnishwami Pillai: (a) Will the Honourable Minister of Agriculture be pleased to state what were the total requirements of the agriculturists of fertilizers (chemicals) province-wise during the year 1946-47 and what were the quantities made available to them?

(b) What were the different chemicals and quantities supplied to Indian Dominion from the world pool?

(c) Are Government aware that due to meagre supplies of fertilizers, much of the land (under 'Grow More Food Campaign and otherwise) prepared for cultivation had to go fallow?

(d) What steps do Government propose to take to supply large quantities of fertilizers during 1947-48 to enable ryots to undertake intensive cultivation?

(e) What are the recommendations of the Fertilizer Mission that toured India two years back and what have Government done to implement their recommendations?

The Honourable Dr. Rajendra Prasad: (a) A statement showing the indents of the different provinces for chemical fertilizers during the year 1946/47 as well as the quantities allocated to them for that year is placed on the table.

(b) A statement showing the different Chemicals and quantities allocated to India by the International Emergency Food Council is placed on the table.

(c) So far as Government are aware no land is left fallow for want of fertilizers alone. It is, however, true that the yield from land which does not get enough fertilizers is poor.

(d) (i) Due to World shortage of Nitrogenous fertilizers, India has not been able to secure allocation of even 50 per cent. of her requirements of these fertilizers from the world pool. In order to make good this shortage for the current fertilizer year, producing countries outside the I.E.F.C. are being approached directly and negotiations are being carried on for the purchase of fertilizers from those sources on a barter system. So far we have been able to get a promise of 15,000 tons of sulphate of Ammonia from the U.S.S.R. for which, however, the price asked for is nearly 40 per cent. higher than that payable for I.E.F.C. allocations.

(ii) In order to step up the indigenous—production, assistance has been given in respect of petrol, steel etc. to the Travancore Factory.

(iii) Steps are being taken to develop the Superphosphate Industry in India.

(e) A summary of the recommendations of the Technical Mission appointed to advise on the production of artificial fertilizers in India will be found at pp. 40 and 41 of the report submitted by that mission. A copy of the report is available in the Library.

The Government of India have decided to construct a factory capable of producing 8,50,000 tons per annum of Ammonia Sulphate at Sindri in Bihar.

**TOTAL REQUIREMENTS OF AGRICULTURISTS PROVINCE-WISE
FOR 1946-47 AND THE QUANTITIES ALLOCATED TO THEM**

Name of Province	Sulphate of Ammonia		Ammonium Phosphate	
	Requirement	Allocation	Requirement	Allocation
	Tons	Tons	Tons	Tons
1. Bengal	15,000	14,400	3,000	644.30
2. Bihar	22,000	12,000	Adequate quantity.	1,100
3. Orissa	3,000	3,000	2	..
4. U. P.	25,000	20,000	1,800	600
5. Bombay	30,000	21,300	15,000	1,200
6. C. P.	3,000	2,000	1,100	1,050
7. Madras	70,000	61,000	6,000	5,910
8. Punjab	2,500	2,000	5	..
9. Sind	3,000	2,808	..	..
10. N. W. F. P.	70	50	..	..
11. Asam	155	155	..	5

I. E. F. O. ALLOCATIONS FOR 1946-47.

SULPHATE OF AMMONIA

Name of Country	Quantity
	L. Tons
1. U. K.	1,39,638
2. Canada	12,600
3. Belgium	11,940
Total	1,64,178

AMMONIUM PHOSPHATE

1. Canada	10,150
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AMMONIUM NITRATE

1. Canada	6,600
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I. E. F. O. ALLOCATIONS FOR 19474-8.

SULPHATE OF AMMONIA

Name of Country	Quantity
	L. Tons
1. U. K.	59,626
2. Belgium	27,058
3. U. S. A.	17,410
4. Canada	1,741
Total	1,05,835

AMMONIUM PHOSPHATE

1. Canada	4,464
2. U. S. A.	2,790
3. Belgium	2,000
Total	9,254

AMMONIUM NITRATE

1. Canada	7,950
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SODIUM NITRATE

1. Chile	21,875
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CALCIUM NITRATE

1. Norway	1,000
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TRANSFER OF TELEPHONE EQUIPMENT FROM INDIA TO PAKISTAN.

349. *Shri K. Santharam: Will the Honourable Minister of Communications please state whether any telephone equipment was transferred from India to Pakistan (i) between 1st January and 15th August 1947, and (ii) after 15th August 1947?

The Honourable Mr. Rafi Ahmad Kidwai: (a) Between the 1st January and the 15th August, 1947, the territories which now constitute the Dominion of Pakistan formed part of India before partition. During the period from the 1st January to the 1st July 1947, there was no restriction of any sort on the issues and movement of stores to and from territories which now constitute the Dominions of India and Pakistan. On the 1st July, 1947, however, orders were issued that stores should be issued only for maintenance purposes or urgent works with the concurrence of the Secretary to the Government of India in the Ministry of Communications. On the 21st July, 1947, free movement of stores within the territories now forming the Indian Union was permitted. Between the 1st July and the 15th August, 1947, orders were issued for the release of stores to territories now constituting Pakistan in only two cases and that was done under the orders of the Partition Council. It may, however, be pointed out that stores and assets held in Pakistan areas on the 14th August, 1947, have been taken into account for the purpose of partition of assets and liabilities between the two Dominions.

(ii) After the 15th August, 1947 and upto now, orders have been issued for issue of stores to Pakistan in two cases only. The telegraph and telephone stores issued to Pakistan after the 15th August, 1947, will be set off against the share of stores and equipment to which the Pakistan Government is entitled according to the decision of the Partition Council.

DETERIORATION OF TELEGRAPH SERVICES.

350. *Shri K. Santharam: Will the Honourable Minister of Communications please state:

(a) whether Government are aware of the deterioration in the telegraph services during the last three months; and

(b) the steps Government propose to take to restore their efficiency?

The Honourable Mr. Rafi Ahmad Kidwai: I would invite the Honourable Member's attention to the answer given by me to starred question No. 156 by Shri Gopal Narain on the 20th November, 1947.

NEGOTIATION FOR IMPORT OF FOODGRAINS FROM SOVIET UNION.

351. *Seth Govinddas: Will the Honourable Minister of Food be pleased to state:

(a) whether it is a fact that the Government of the Soviet Union has been approached by the Government of India for import of food grains as pointed out by him in his press conference of the 28th September, 1947; and

(b) what is the outcome of such negotiations and whether there is any likelihood of getting food grains from that country?

The Honourable Dr. Rajendra Prasad: (a) Yes.

(b) The matter is still under negotiation.

DIVISION OF ASSETS OF N. W. RAILWAY BETWEEN INDIA AND PAKISTAN.

352. *Ghansu Gurmukh Singh Musafar: (a) Will the Honourable Minister of Railways please state whether Government propose to lay on the table of the

House a copy of the agreement arrived at with the Government of Pakistan regarding the partition of the assets of the late North Western Railway?

(b) Has the physical division of the assets been completed?

(c) If not, why not?

(d) Is it a fact that while the Indian Railway authorities have been taking steps to fulfil their part of the undertaking, the Pakistan authorities have not been supplying stores and repairing the rolling stock that they undertook to do as one of the terms of the partition?

The Honourable Dr. John Matthai: (a) I lay a statement on the table of the House giving the details of the recommendations of the Expert Committee constituted for the partition of the assets of the late North Western Railway.

(b) The physical division of the assets has not been completed except insofar as immovable assets are concerned. In respect of locomotives, carriages and wagons, the major portion of the assets due to India are already with us. The recalculation of the quantities consequent on the Radcliffe Award is being undertaken and until this is finished the exact position will not be known. The physical division of other assets has not taken place.

(c) The disruption of communications consequent on the Punjab disturbances and the abnormal conditions obtaining on both the systems, have up till now prevented action being taken to finalise the position. Steps have already been taken, however, to effect the division as soon as possible.

(d) It is correct that Pakistan Authorities have not fulfilled their obligations in respect of the assistance to be given to the Eastern Punjab Railway in repairing locomotives, carriages and wagons.

STATEMENT

In June 1947, the Partition Office decided to set up Expert Committees to make recommendations to the Partition Council, through the Steering Committee, on the administrative problems arising from partition. A Sub-Committee of Expert Committee No. II for Railways was entrusted with the work of distribution of assets and liabilities.

So far as immovable assets are concerned, the Sub-Committee agreed that their location should govern their division. It was also agreed that movable assets including stores and rolling stock should be distributed with due regard to the requirements of both sections. Certain measures for mutual assistance required by the Railways of the two dominions from each other in respect of major repairs to rolling stock and other items, until such time as each dominion could make its own arrangements, were agreed upon. The following are the details of such measures in respect of N. W. Railway:—

(a) Assistance from the Pakistan Government to India

Locomotive, Carriage and Wagon Workshops, Moghalpura (Lahore).	Broad Gauge Locomotives, carriages and wagon and narrow gauge locomotives and carriages belonging to India (E. P. Railway) will be given periodical overhaul, intermediate overhaul and nominated repairs (repairs arising out of accidents, casualties etc.) at these workshops.
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These workshops will also manufacture and/or recondition for the Eastern Punjab Railway for a period which may not extend beyond two years:

(a) parts and fittings of locomotives, carriages and wagons;

(b) machines, machine parts and tools.

The Carriage and Wagon Workshops will construct coaches for the Eastern Punjab Railway and will machine timber for the workshops at Kalka.

(b) Assistance from the Indian Government to Pakistan

Crancking Plant, Delhi	This depot will treat wooden sleepers for the Pakistan Section of the N. W. Railway.
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MALADMINISTRATION OF EAST PUNJAB RAILWAY.

353. *Giani Gurmukh Singh Musafar: (a) Will the Honourable Minister of Railways please state whether the East Punjab Railway is now in full working order?

(b) Are Government aware of the complaints about maladministration of this Railway?

(c) What arrangements have so far been made for office and residential accommodation for the staff of this Railway?

(d) How far the lack of such arrangements is responsible for the maladministration of this Railway?

(e) Are Government aware that the various Departments on the East Punjab Railway are understaffed?

(f) If so, what steps have been taken to complete the staff?

The Honourable Dr. John Matthai: (a) The E. P. Railway is not yet in full working order.

(b) No.

(c) The Headquarters Office of the E. P. Railway, except for the Traffic Accounts Branch for which office accommodation has been provided at Jullundur, is located in the Mall Barracks, Khyber Pass, Delhi. The staff have been accommodated partly in permanent quarters at Delhi and partly in temporary quarters at Muradnagar and Jullundur.

(d) Does not arise.

(e) There is a shortage among certain categories of the lower paid staff in the Locomotive, Transportation and Engineering Departments, but the existing staff is adequate to run essential services.

(f) The shortages referred to are being made up by recruiting suitable men from the open market and training them.

IMPLEMENTATION OF CENTRAL PAY COMMISSION'S RECOMMENDATIONS RELATING TO RAILWAY EMPLOYEES.

354. *Shri Khandubhai K. Desai: (a) Will the Honourable Minister of Railways be pleased to state when the Government of India propose to implement the recommendations of the Central Pay Commission relating to Railway Employees?

(b) Are Government aware of the discontent among the pre-1951 entrants in the South India Railway and Oudh Tirhut Railway owing to the low scales of salary prevailing on those Railways as compared to the other Class I State Railways?

(c) Do Government propose to remove the disparity and bring their salaries on a level with those on other Railways?

(d) When do Government propose to publish the award of the Adjudicator?

The Honourable Dr. John Matthai: (a) Orders regarding the implementation of the recommendations of the Central Pay Commission, in so far as they relate to Pay and Allowances have been issued on the 31st October 1947, the other recommendations of the Central Pay Commission are at present under consideration. It is not possible to lay down the exact date by which orders on these recommendations will be issued.

(b) Yes.

(c) Government have given the option to the pre-51 entrants on all Indian Government Railways to elect for the scales of pay which have been introduced on the recommendations of the Central Pay Commission. This should result in the removal of the disparity referred to.

(d) Government regret to say that due to preoccupations with more urgent matters, it has not been possible yet to undertake a study of the Award but it is hoped that this will now be done and thereafter the Award will be published without further delay.

RETRENCHMENT ON SOUTH INDIAN RAILWAY.

355. *Shri Khandubhai K. Desai: (a) Will the Honourable Minister of Railways be pleased to state when Government propose to define their policy in regard to the retrenchment of railway employees appointed after September 1945?

(b) Are Government aware that more than 100 employees of the South India Railway alone have been discharged as surplus to requirements?

(c) Are Government aware that this is a violation of the undertaking given to the Railway employees recently?

(d) Have Government received any representation from the South India Railway Workers' Union, Trichinopoly, complaining about unfair promotions, transfers and punishments?

(e) If so, what action has been taken by Government so far?

The Honourable Dr. John Matthai: (a) The Government have already defined their policy in regard to the retrenchment of railway employees appointed after the 15th of September 1945 and this is that such staff if declared surplus are retrenched only if alternative employment is not available for them.

(b) No. Some temporary employees and substitutes appointed subsequent to the 15th of September 1945 have, however, been rendered surplus consequently on absorption of War service candidates. As far as possible these men are being absorbed against other temporary vacancies. The exact figure of men discharged as surplus is not readily available.

(c) No. The undertaking referred to related to the staff who were in service on 15th September 1945 and not to those engaged after this date.

(d) No.

(e) Does not arise.

DISTRIBUTION OF CAUSTIC SODA, SODA ASH, ETC. TO PROVINCES.

356. *Shri Basanta Kumar Das: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) what control the Government of India exercise over the distribution of caustic soda, soda ash, sodium permanganate and such other chemicals;

(b) whether any quota is fixed for each province and if so on what basis;

(c) whether the above chemicals are distributed to individual consumers also, and

(d) if the answer to part (b) above be in the negative,—

(i) what facilities have been given to provinces for meeting their requirements in this respect:

(ii) whether Government are aware that without a proper quota being given to the provinces the progress of development of their industries is being hampered; and

(iii) whether Government propose to consider the desirability of fixing quotas for provinces according to their needs?

The Honourable Dr. Shama Prasad Mookerjee: (a) There is no statutory control over any of the chemicals mentioned. The main importers and producers have agreed to distribute caustic soda, soda ash and potassium chlorate,

which are in short supply, in consultation with the Directorate General of Industry and Supply. There are no such arrangements for the distribution of Sodium Permanganate.

(b) No, Sir.

(c) Yes, Sir, in the manner already explained.

(d) (i), (ii) and (iii). I shall have the possibility of fixing provincial quotas examined; but the fixing of provincial quotas cannot alter the fact of inadequate supply.

SUPPLY OF SODA CAUSTIC TO COTTON MILLS AND ALL-INDIA SOAP MAKERS ASSOCIATION.

357. *Shri Basanta Kumar Das: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) whether caustic soda is being supplied to cotton mills through the Textile Commissioner;

(b) whether the All-India Soap-makers' Association has been receiving any quota for distribution among its constituents; and

(c) how the requirements of individual soap-factories, i.e., those which are not members of any association, are being met?

The Honourable Dr. Syama Prasad Mookerjee: (a) Caustic soda is not under statutory control, but in order to distribute the available supplies as equitably as possible between the different industries the importers consult the Government authorities concerned. With regard to the Textile Industry, the distribution is made on the recommendation of the Textile Commissioner.

(b) No, Sir.

(c) Individual soap factories, whether or not they belong to any Association, buy their requirements directly from importers, who decide how much to sell to the soap industry, in consultation with the Directorate General of Industry and Supply.

DISTRIBUTION OF CAUSTIC SODA AND OTHER CHEMICALS BY I. C. I. (INDIA) LTD.

358. *Shri Basanta Kumar Das: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) whether the I. C. I. (India) Ltd. distribute caustic soda, soda ash and such other chemicals only on permits issued by the Director of Chemicals to the Government of India.

(b) whether the said company distributes the above-mentioned chemicals on the requisition of the Provincial Governments also; and

(c) if the answer to part (b) above be in the negative, whether the Government of India propose to give authority for issuing permits for the above chemicals to the provincial governments who are primarily responsible for the development of industry in their own areas?

The Honourable Dr. Syama Prasad Mookerjee: (a) These Chemicals are not under statutory control. But in the interests of equitable distribution the I.C.I. (India) Ltd. distribute them in accordance with the suggestions of the Directorate General of Industry and Supply.

(b) No, Sir.

(c) As these chemicals are not under statutory control the question of empowering the Provincial Governments to issue permits does not arise.

SUPPLY OF SODA ASH TO GLASS MANUFACTURES

359. *Shri Basanta Kumar Das: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether Government are aware that the glass-manufacturers have been put to great difficulties due to acute shortage of supply of soda ash?

(b) Do Government propose to consider the desirability of meeting the demands in order to give proper facilities for manufacture of glass?

The Honourable Dr. Syama Prasad Mookerjee: (a) Yes, Sir; Government are aware of this fact.

(b) Yes, Sir. Licences for the import of this chemical are freely granted provided the price is not unreasonable. A portion of the stock available from Disposals has also been offered to the All-India Glass Manufacturers Federation. Government are making every effort to obtain increased imports and to step up indigenous production.

ABOLITION OF CONTROL OVER SALE OF CAUSTIC SODA AND OTHER CHEMICALS

360. *Shri Basanta Kumar Das: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether the Government of India propose to consider the desirability of abolishing all control over the sale of caustic soda, soda ash and such other chemicals?

(b) If not, what are the reasons therefor?

The Honourable Dr. Syama Prasad Mookerjee: (a) There is no statutory control over the sale of the chemicals mentioned by the Honourable Member.

(b) Does not arise.

SUIT AGAINST GOVERNMENT FOR ILLEGAL SALE OF SALT BELONGING TO SUMANDI SALT FACTORY.

331. *Shri Lakshminarayan Sahu: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether it is a fact that the Sub-Judge's Court of Cuttack has passed a decree for about a lakh of rupees as damages against the Government of India for illegally selling salt belonging to a lessee of the Sumandi Salt Factory within the jurisdiction of the Calcutta Collectorate?

(b) If the Government of India were not a party, why should the Public Treasury pay this huge amount of damages?

The Honourable Dr. Syama Prasad Mookerjee: (a) and (b), A suit against Government is pending. Full information has been called for and when received will be laid on the table of the House.

GRANTS TO PROVINCES FOR 'GROW MORE FOOD CAMPAIGNS'

332. *Shri Jadubans Sahay: Will the Honourable Minister of Agriculture be pleased to state:

(a) the amounts of money allotted to the provinces of Bihar, United Provinces, Madras, Bombay and Central Provinces during the years 1944-45, 1945-46 and 1946-47 for 'Grow More Food' Campaign;

(b) the actual expenditure incurred by each of the provinces out of the amount allotted; and

(c) the reasons, if any, for the Provinces for not spending the entire amount allotted by the Government of India?

The Honourable Dr. Rajendra Prasad: The information required is being collected and will be supplied when received.

ABOLITION OF ZAMINDARY SYSTEM

363. *Shri Jadubans Sahay: (a) Will the Honourable Minister of Agriculture be pleased to state whether Government are aware that the system of zamindari is going to be abolished in all the provinces of India?

(b) Do Government propose to set up a central committee of Experts whose advice may be available to the provinces for the reconstruction of the land system in the various provinces after the abolition of the zamindari system?

The Honourable Dr. Rajendra Prasad: (a) Land Tenure is a Provincial subject and as such the subject matter of this question is one with which the Provincial Governments are directly concerned. It may, however, be stated that Bills dealing with the subject are before the Legislatures of some Provinces while some other Provincial Governments also proposed to undertake legislation abolishing the Zamindari System.

There is no big zamindari land in the Delhi Province or in Coorg. Most of the land owners cultivate their land themselves.

In Ajmer Merwara, Zamindari System only exists in the *Istimari* area. A bill to give the tenants fixity of tenure and ensure fair rent and compensation for improvements on ejection is under preparation and will be introduced in the Legislature as soon as it is ready.

(b) Government have no such intention as conditions differ considerably from province to province. Provincial Governments will take such action as appears to them feasible. If they need guidance from the Centre, the Government of India will examine how best it can be given, if and when a request to that effect is received.

REMITTANCE OF STATION EARNINGS BEYOND KANCHRAPARA ON B.A. RAILWAY TO
EASTERN PAKISTAN

364. *Pandit Lakshmi Kanta Maitra: (a) Will the Honourable Minister of Railways please state whether Government are aware that the authorities of the East Indian Railway issued an order in the beginning of August last directing that the earnings of all stations on the Bengal-Assam Railway beyond Kanchrapara be forwarded from the midnight of the 14th August, 1947, to the Railway authorities in Eastern Pakistan?

(b) Are Government aware that the order was subject to modification by the Award of the Bengal Boundary Commission?

(c) Was the order passed with the approval of the Government of India? If so, what are the reasons therefor?

The Honourable Dr. John Matthai: (a) Yes; Government are aware that such orders were issued.

(b) Yes, it was realized that modifications would be necessary as a result of the Award of the Bengal Boundary Commission.

(c) Yes; the orders formed part of the many that had to be issued well ahead of time in order to ensure that the maximum degree of partition was achieved immediately after the appointed date.

MONETARY LOSS DUE TO DELAY IN RETROCESSION OF SECTIONS OF B.A. RAILWAY
APPORTIONED TO INDIA UNDER BOUNDARY COMMISSION AWARD

365. *Pandit Lakshmi Kanta Maitra: (a) Will the Honourable Minister of Railways please state whether Government are aware that large portions of the Bengal-Assam Railway which had been placed in Pakistan under the Notional Division, had come within the Dominion of India under the award of the Boundary Commission?

(b) Have the Government of India taken over full administrative control and management of these portions now? If so, on what date?

(c) Are Government aware that for over 10 weeks after the date of the Award of the Bengal Boundary Commission, these portions remained under complete administrative control of Pakistan, while the salaries, allowances and grain concessions payable to the staff were met in full by the Dominion of India? If so, why was this state of things allowed to be continued so long?

(d) Who were the persons responsible for this? What action, if any, Government propose to take against them? If none, why?

(e) Are Government aware of the dislocation of traffic and inconvenience caused by it to the public?

(f) Are Government aware that vast sums of traffic receipts of railway stations affected by the Award have gone over to Pakistan and have been lost to the Indian Dominion? If so, what is the amount involved?

(g) How is it proposed to recover this amount from the Government of Pakistan?

The Honourable Dr. John Matthal: (a) Yes.

(b) Yes; on 8th November 1947.

(c) Yes. There was delay in obtaining the concurrence of the Pakistan Government to the taking over of these sections.

(d) Government are satisfied that the primary responsibility for the delay rests with the Pakistan authorities and no specific action seems called for.

(e) Government are not aware that there has been any dislocation of traffic or inconvenience to the public since through booking has continued.

(f) Traffic receipts at the stations concerned have been remitted to the E. B. Railway, but it is not accepted that the amounts have been lost to India. Information regarding the amounts involved is being obtained and will be laid on the table of the House.

(g) Arrangements for the division of the earnings between Indian and Pakistan Railways exist under the provisions agreed between the two Dominions for the interchange of traffic. Moreover, sums collected by India on traffic booked to Calcutta include a share for Pakistan which it is believed will more than counterbalance the amounts due to India on the collections at the stations concerned.

SETTLEMENT OF DUES OF B. A. RAILWAY STAFF BY CHIEF AUDITOR, E. B. RAILWAY, CHITTAGONG

366. *Pandit Lakshmi Kanta Maitra: (a) Will the Honourable Minister of Railways please state whether Government are aware of the following Circular issued by the Divisional Superintendent of Sealdah, East Indian Railway:

“Due to the disintegration of Bengal-Assam Railway it has been decided that the final settlement of Bengal-Assam Railway Staff, who retired, resigned or died prior to the 15th August, 1947 will be arranged by the Chief Auditor, East Bengal Railway, Chittagong. Personal file of papers with service sheet and all other documents have been forwarded to the Chief Auditor, East Bengal Railway, Chittagong, for necessary action and payment.

You are, therefore, directed to make further reference on the subject to the Chief Auditor, East Bengal Railway, Chittagong, and note that no further application on the subject will be entertained in this office.”

(b) If so, at whose instance was this Circular issued? Was the approval of the Government of India obtained before the Circular was issued? If not, why not?

(c) Are Government aware that in accordance with the above circular the employees of the Bengal-Assam Railway who retired, resigned or died prior to the 15th August, 1947, have since applied to the Chief Auditor, East-Bengal Railway, Chittagong, in Eastern Pakistan, but they have either been refused payment or their petitions have been ignored in spite of repeated reminders sent by them?

(d) What relief do Government propose to give to these unfortunate ex-employees?

(e) How are their claims proposed to be finally settled?

The Honourable Dr. John Matthai: (a) According to the arrangements made at the time of partition, the authority responsible for closing the accounts of the B. A. Railway for the period up to 14th August 1947 is the E. B. Railway. The correct procedure would, therefore, be for the office from which the employee retired to prepare the settlement papers and send them on to the E. B. Railway for check and authorization of the claims.

(b) Please see answer to part (a).

(c) No instances of non-payment or unusual delay have been brought to the notice of Government, but further enquiries are being made. It is quite likely, however, that delays may have occurred, as it would have taken some time for the E. B. Railway office at Chittagong to begin normal functioning.

(d) and (e). Government are prepared to take all possible measures for the speedy settlement of all claims and are calling for a report from the authorities concerned.

ABOLITION OF SALT DEPARTMENT.

367. *Shri M. C. Veerabahu Pillai: (a) Will the Honourable Minister of Industry and Supply be pleased to state whether in view of the abolition of Salt Duty, Government propose to consider the abolition of the entire Salt Department and employment of its staff on urgent rehabilitation and refugee work?

(b) Do Government propose to consider the abolition of the licensing system as well, with a view to avoid shortage in the supply of salt and to encourage its production?

The Honourable Dr. Syama Prasad Mookerjee: (a) The abolition of Salt Duty has been followed not by availability of cheap salt of good quality all over the country, but by scarcity and high prices of this essential foodstuff in many areas. This state of affairs has been due mainly to the total production in India being about 10 per cent. less than total requirements even on the present unsatisfactory standard of consumption, to imports being not as plentiful as necessary, to transport bottlenecks and to certain middlemen in the distributory chain trying to make inordinate profits. Government, therefore, take the view that some control over salt is unavoidable in present circumstances. The control they propose to exercise will not, however, be restrictive but designed to ensure a fair deal to the consumers without hitting the producers. A corps of salt staff will, therefore, have to be retained.

(b) It is clear from (a) above that the licensing system cannot be abolished except at great peril to the country. Licences will be issued freely to applicants and will be designed *inter alia* to assist private manufacturers in raising the quantity and quality of production and to control ex-factory prices in the interests of the consumer.

IMPLEMENTATION OF RECOMMENDATIONS OF COAL COMMITTEE

368. *Shri K. Santhanam: Will the Honourable Minister of Industry and Supply please state what steps are being taken to implement the recommendations of the Coal Committee in regard to (i) State acquisition of mineral rights; and (ii) conservation of metallurgical coal?

The Honourable Dr. Syama Prasad Mookerjee: (i) The Governments of Bengal and Bihar have been addressed regarding the procedure and principles of acquisition of mineral rights and their replies are still awaited.

(ii) A Committee has been set up to prepare a programme of sand-stowing for the next 10 years.

It will take some time yet to put into effect the recommendations of the Indian Coalfields Committee regarding the conservation of metallurgical coal, e.g.

- (i) prohibition of supplies to other than essential consumers;
- (ii) beneficiation of lower quality coals by washing and blending; and
- (iii) curtailment of output.

Enforcement of (i) must be deferred until the production of good quality non-metallurgical coal is stepped up sufficiently to meet requirements e.g. of the Railways. A start on washing is being made shortly when the equipment on order by a private concern arrives. But a good deal of study on the laboratory and pilot plant scales must precede large scale measures of beneficiation. This will be one of the principal tasks of the Fuel Research Institute when it is ready. Implementation of (iii) must be done in consultation with the Provincial Governments concerned who have been addressed on certain ancillary matters.

IRREGULAR SUPPLY OF WHEAT AND SUGAR RATIONS IN AJMER AND BEWAR

369. *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable Minister of Food be pleased to state whether the Government of India are aware that the supply of sugar at the ration shops in Ajmer, Beawar and in the rural areas of the province has been totally stopped during the last several weeks?

(b) If-so, what steps are being taken to ensure regular supply of sugar in Ajmer-Merwara in future, and do Government propose to make up the deficiency in the supply of sugar to the consumers? If not, why not?

(c) Are Government aware that the supply of wheat at the ration shops in Ajmer-Merwara has been reduced to 2 chhataks only?

(d) If so, what are the reasons for this?

(e) Do Government propose to take steps at an early date to restore the cut to the normal quota of 4 chhataks?

The Honourable Dr. Rajendra Prasad: (a) Yes.

(b) Due to transport difficulties caused by the shortage of locomotives and wagons on the O. and T. Railway and disturbances in certain areas, sugar could not be moved to Ajmer-Merwara in sufficient quantities in September and October. Ajmer-Merwara has now received sugar sufficient for four months' consumption. The weekly rations in the Province have been temporarily raised to make up for short supplies during the period of shortage.

(c) Yes.

(d) Reduction became necessary because of low stocks which could not be replenished owing to an unexpected delay in the arrival of the wheat ship from which quota was allotted.

(e) Sufficient quantity has been allotted to Ajmer in order to enable the Administration to issue a 4 chhataks wheat ration and it will be possible for the

Administration to restore the cut as soon as the allotted quantity arrives there. Every endeavour is being made to speed up despatches of quotas to Ajmer.

DEVELOPMENT OF CIVIL AVIATION IN RAJPUTANA AND CONSTRUCTION OF AERODROME AT AJMER

370. *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable Minister of Communications be pleased to state whether Government are aware that Ajmer City occupies the central position in Rajputana and as such, is eminently suited to form the basis for the development of Civil Aviation in Rajputana?

(b) If so, do Government propose to consider the question of granting licence to such persons as may take initiative in the matter?

(c) Do Government propose to set up an aerodrome at Ajmer and include Ajmer in one of the main air routes of India?

The Honourable Mr. Rafi Ahmed Kidwai: (a) and (c). There is at present no aerodrome in Ajmer. The Civil aviation development plan include the provision of a minor aerodrome there, but having regard to the requirements of India, as a whole, it occupies a low priority.

(b) The grant of licences for scheduled air transport service is the function of the Air Transport Licensing Board, who will certainly give due consideration to any application for licences for operating air services to and from Ajmer.

OPPRESSION OF TENANTS IN *Istimbari* AREAS

371. *Pandit Mukut Bihari Lal Bhargava: (a) Will the Honourable Minister of Agriculture be pleased to state whether Government are aware that the tenants in *Istimbari* areas do not enjoy legal security of tenure and they are oppressed by various sorts of exploitation by the *Istimbari* landlords and the money-lenders?

(b) Have Government received the draft tenancy legislation from the Special Officer appointed by Government for the purpose?

(c) Are Government aware that the draft tenancy legislation has been the subject matter of scrutiny by the sub-committee which consists of representatives of all interests?

(d) How much time Government propose to take to enact the draft legislation into law, and are Government aware that there is great discontent and dissatisfaction amongst the tenants of Ajmer-Merwara against their exploitation?

(e) Do Government propose to consider the advisability of giving any relief to the tenants, till the proposed legislation is enacted into law?

(f) If so, in what form, and if not, why not?

The Honourable Dr. Rajendra Prasad: (a) Government are aware of the position.

(b) Yes.

(c) Yes.

(d) A bill is under preparation and will be introduced in the legislature as soon as it is ready.

(e) and (f). The question of giving interim relief is difficult and complicated but is under consideration.

372. * [Withdrawn.]

REMOVAL OF CONTROL ON ARTICLES OTHER THAN FOOD

373. *Prof. H. G. Ranga: Will the Honourable Minister of Industry and Supply be pleased to state:

(a) whether Government have given any consideration to the Cut Motion passed by the last Assembly on decontrolling all commodities excepting food:

(b) if so, what controls have been so far removed; and

(c) what are the plans of Government to decontrol other commodities, and how long do Government propose to take before decontrolling the internal production and trade of essential commodities of daily consumption?

The Honourable Dr. Syama Prasad Mookerjee: (a) and (b). The question of decontrolling the various articles has been examined by Government from time to time since March last, but so far it has been practicable to lift only the following control.

Newsprint: The Newspaper Control Order 1945 has been superseded by the Newsprint Control (No. 2) Order, 1947. Under the new Order, control on the consumption of Newsprint for printing newspapers and periodicals which are published at regular intervals of not more than one month, has been lifted with effect from 3rd April, 1947.

(c) Government propose to examine the desirability of decontrolling the other commodities as soon as possible. It is proposed to convene a conference of Ministers in charge of Industries in the Provinces and important Indian States, early in December to ascertain, among other things, the views of the Provinces on the subject.

Articles of daily consumption at present under control are paper, kerosene and textiles. The position in respect of these items will also be examined at the forthcoming conference.

UNSTARRED QUESTIONS AND ANSWERS

PRODUCTION AND IMPORT OF SALT AND EXPENDITURE ON SALT DEPARTMENT.

5. Shri M. O. Veerabahu Pillai: Will the Honourable Minister for Industry and Supply be pleased to place on the table of the House a statement (Province-wise) of the total production and import of salt and the total expenditure on the Salt Department, during the past ten years?

The Honourable Dr. Syama Prasad Mookerjee: Three separate statements containing the information required by the Honourable Member are placed on the table of the House.

STATEMENT I.—Salt production Figures of the various Salt sources in British India.

Source	Year										
	35-36	36-37	37-38	38-39	39-40	40-41	41-42	42-43	43-44	44-45	45-46
1. N. W. F. P.	5,47	5,14	5,70	5,65	6,01	6,11	7,71	10,71	6,74	8,05	8,84
2. Punjab	41,13	43,77	43,48	43,79	50,39	46,52	44,43	57,39	73,05	55,50	75,55
3. Rajputana Salt Sources.	83,94	78,29	72,26	1,11,57	83,34	1,06,51	1,37,03	49,60	1,39,16	1,03,24	86,38
4. U. P. & Bihar	1,06	94	1,11	96	1,18	1,24	1,75	1,44	1,54	99	1,11
5. Bengal	1	1	5	11	14	23	24	24	12	15	30
6. Orissa	7,85	4,96	7,87	9,68	11,26	3,47	10,30	12,79	7,73	6,08	9,71
7. Bombay	1,08,89	1,33,37	1,10,81	1,26,90	1,24,93	1,30,15	1,67,70	1,46,39	1,47,14	1,50,23	1,48,39
8. Madras	1,14,76	91,53	1,14,16	1,18,68	1,22,79	1,01,23	1,29,53	1,53,82	1,18,55	1,48,54	1,66,16
9. Sind	29,47	37,25	31,84	26,49	33,26	36,24	38,37	38,17	35,80	25,87	42,06

(In thousand mounds)

STATEMENT II.—Imports of salt into India from foreign countries.

Port of Import	Year										
	35-36	36-37	37-38	38-39	39-40	40-41	41-42	42-43	43-44	44-45	45-46
1. Karachi	.063	.040	.061	.050	.039	.036	.057	.093	.407	.407	.407
2. Bombay	.180	.157	.143	.161	.150	.136	.214	.387	.029	.284	.284
3. Madras	.164	.133	.200	.166	.161	.139	.222	.022	.032	.648	.648
4. Calcutta	.293	.264	.302	.288	.273	.157	.236	.133	.166	.266	.213
5. Chittagong	.35	.36	.45	.24	.41	.46	.25	...	...	...	4
Total	328	300	347	312	314	203	261	133	166	266	217

(In thousand tons)

STATEMENT III.—Expenditure for collection of Salt Revenue including manufacturing charges, cost of Salt and other revenue expenditure of the Salt Section of the Central Excises and Salt Department Northern India.

Year	(In thousand rupees*)										
	*N. I. Salt Revenue Depart-ment	North Eastern India	North Central India	Madras	Bombay	Bengal	Orissa	Sind	India General	Total	Remarks
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1937-38	62,20			20.25	17,58	3,78	82	1,29	26	1,06,19	
1938-39	60,14			21,20	16,18	3,76	82	1,51	24	1,03,85	
1939-40	61,90	...		19,94	16,72	1,53	82	1,43	15	1,02,49	
1940-41	61,29(a)	4,91(b)		18,31	15,98	1,62	83	1,39	7	1,01,40	
1941-42	61,01(a)	1,74(b)		10,97	18,49	1,61	84	1,38	12	96,16	
1942-43	66,13(a)	1,75(b)		19,13	21,50	1,54	83	1,50	12	1,12,50	
1943-44	77,49(a)	2,09(b)	...	20,19	24,89	1,61	83	1,60	16	1,28,86	
1944-45	78,17(a)	2,73(b)	40(c)	20,25	18,70	1,74		1,71	13	1,23,83	
1945-46											
1946-47											

Audited figures not yet available.

*Had jurisdiction over the whole of Northern India from Bihar upto the N. W. F. P. (including Rajputana & Ajmer-Merwara).

(a) North Western India comprising of the N. W. F. P., Punjab, Delhi, Rajputana, Ajmer-Merwara and upto 1943-44 Western U. P. and thereafter without it.

(b) North Eastern India comprising of Bihar, and Eastern U. P. upto 1943-44 and thereafter of Orissa and Bengal outside Calcutta and Chittagong.

(c) North Central India comprising of the U. P. and Bihar.

PROCEDURE RE PRINTING OF PAPERS LAID ON THE TABLE.

Shri Biswanath Das (Orissa: General): Mr. Speaker, Sir, I beg to make a submission on the question of papers laid on the Table. My experience of provincial Assemblies and Councils is that whenever papers are said to be laid on the Table, they are made available at once to the members of the House, but I find a different practice here. I would therefore submit to you, Sir, that it will add to our convenience if these statements and papers laid on the Table of the House are made available to the Honourable Members at once.

Mr. Speaker: I appreciate the Honourable Member's point and I entirely concur with him that all facilities should be given to Members to have those statements. The practice here has been that they are laid on the Table of the House and remain there during the day and any Member who wishes to see them can get them from the Secretary and see them. Then, they are placed on the Library Table and members who wish to see them can go to the library and see them. That is the present arrangement. If any further supplementing is necessary, I shall be glad to consider what steps need be taken in the matter.

Mr. B. Pocker Sahib Bahadur (Madras: Muslim): May I submit, Sir, that placing these statements on the Table here or in the Library does not enable the Members of the House to put any supplementary questions on the basis of the information contained in them. Therefore the question for which the statements are given by way of answer loses its value as a starred question.

Mr. Speaker: I don't think it is not possible for members to put in supplementary questions because the statements are laid on the Table here. The real difficulty is that long statements require to be studied and even if printed copies were at once given here to Honourable Members it is not possible for them to study them and put supplementary questions. Therefore it was, that I suggested on previous occasion that, in the case of long statements laid on the Table of the House, the Honourable Members, instead of putting supplementaries then and there, might study the statements and then table questions. If there is any point of urgency, then the procedure of Short Notice Question is also open. The difficulty cannot be solved by placing the statements elsewhere or making them available to the Honourable Members immediately in the House.

Dr. B. Pattabi Sitaramayya (Madras: General): The difficulty, Sir, is that the Secretary and other officers naturally rise by the time we rise and then they disappear before we can get to the Table and they gather here just simultaneously with ourselves. I am not complaining against them; they must have their grub as well as we. The real point is that placing on the Table as far as this House is concerned is absolutely useless and we cannot get at the papers. The other day you were good enough to say that important papers would be printed immediately. Now, the Instrument of Accession is one such. I thought you would have given orders for its being printed, but till today we have not got it. Hyderabad has now acceded and we do not know what has taken place without that paper.

Mr. Speaker: The Honourable Member refers to the delay in supplying printed copies. I have ordered the printing of those papers, but Honourable Members will appreciate that while the Assembly is in session, every day there is a lot of printing that is going on. That is one thing. They would have also seen besides that the Honourable the Railway Member's speech which was delivered extempore was to be in the hands of members before there was any discussion about it.

Dr. B. Pattabi Sitaramayya: We thought that it was printed before he delivered it.

Mr. Speaker: Not at all.—So there are priorities and priorities. But I can assure Honourable Members that every effort will be made to see that these papers are distributed to members as early as possible.

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ELECTIONS TO THE STANDING COMMITTEES FOR THE MINISTRIES OF
EDUCATION, FOOD, HEALTH AND HOME AFFAIRS

Dr. P. S. Deshmukh (C. P. and Berar: General): Can we not introduce the system of printing the answers as is done in many other Provincial Assemblies?

Mr. Speaker: As I stated, I will consider the matter, but my personal inclination is not now in favour of it, owing to the changed set-up of the circumstances. I have, however, an open mind on the subject.

ELECTIONS TO THE STANDING COMMITTEES FOR THE MINISTRIES
OF EDUCATION, FOOD, HEALTH AND HOME AFFAIRS

Mr. Speaker: I have to inform the Assembly that upto the time fixed for receiving nominations for the Standing Committees for the Ministries of Education, Food, Health and Home Affairs, 11 nominations in the case of the first two and 10 nominations in the case of the other two were received. Subsequently one member in case of each of the first two withdrew his candidature. As the number of the remaining candidates was thus equal to the number of vacancies in each of the four Committees, I declare the following members to be duly elected:—

I. Standing Committee for the Ministry of Education—

- (1) Dr. H. C. Mookerjee.
- (2) Pandit Hiralal Shastri.
- (3) Prof. Yashwant Rai.
- (4) Shri S. Radhakrishnan.
- (5) Prof. K. T. Shah.
- (6) Shri V. C. Kesava Rao.
- (7) Shrimati Ammu Swaminadhan.
- (8) Shri T. Channiah.
- (9) Shrimati Sucheta Kripalani.
- (10) Mr. Raghob Ahsan.

II. Standing Committee for the Ministry of Health—

- (1) Pandit Govind Malaviya.
- (2) Prof. Yashwant Rai.
- (3) Prof. N. G. Ranga.
- (4) Shri Satish Chandra Samanta.
- (5) Shri Brijlal Nandlal Biyani.
- (6) Mr. R. K. Sidhwa.
- (7) Shri L. Krishnaswami Bharthi.
- (8) Durbar Gopaldas A. Desai.
- (9) Shri M. R. Masani.
- (10) Saiyid Jafer Imam.

III. Standing Committee for the Ministry of Food—

- (1) Dr. N. B. Khare.
- (2) Shri Ramnarayan Singh.
- (3) Shrimati Kamala Chaudhri.
- (4) Dr. P. K. Sen.
- (5) Shri Vinayakrao B. Vaidya.
- (6) Shri Sunder Lall.
- (7) Shrimati D. Velayudan.
- (8) Dr. H. C. Mookerjee.
- (9) Dr. V. Subrahmanyam.
- (10) Mr. Jasimuddin Ahmed.

IV. *Standing Committee for the Ministry of Home Affairs.*—

- (1) Shri Jai Sukh Lal Hathi.
- (2) Mr. R. E. Patel.
- (3) Shri S. K. Patil.
- (4) Pandit Balkrishna Sharma.
- (5) Shri Deshbandhu Gupta.
- (6) Shri Jainarain Vyas.
- (7) Dr. P. S. Deshmukh.
- (8) Shri L. Krishnaswami Bharthi
- (9) Giani Gurmukh Singh Musafar.
- (10) Nawab Muhammad Ismail Khan.

EXTRA-PROVINCIAL JURISDICTION BILL

The Honourable Sardar Vallabhbhai Patel (Minister for Home Affairs, Information and Broadcasting and the States): Sir, I beg to move for leave to introduce a Bill to provide for the exercise of certain extra-provincial jurisdiction of the Central Government:

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill to provide for the exercise of certain extra-provincial jurisdiction of the Central Government."

The motion was adopted.

The Honourable Sardar Vallabhbhai Patel: Sir, I introduce the Bill.

ELECTRICITY (SUPPLY) BILL

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): Sir, I beg to move for leave to introduce a Bill to provide for the rationalisation of the production and supply of electricity, and generally for taking measures conducive to the electrical development of the Provinces of India.

Mr. Speaker: The motion moved:

"That leave be granted to introduce a Bill to provide for the rationalisation of the production and supply of electricity, and generally for taking measures conducive to the electrical development of the Provinces of India."

Dr. B. Pattabhi Sitaramayya (Madras: General): We do not know, Sir, what the objects of this Bill are.

Mr. Speaker: I stated on a previous occasion that the introduction of Bills is more or less a matter of form. After the Bills are introduced, copies will be supplied.

Dr. B. Pattabhi Sitaramayya: I do not object to that, but it looks odd that we should say "Aye" to a Bill the nature or contents of which we do not know.

Mr. Speaker: The agenda is sent to Members; they know what Bills are going to be introduced and copies of these Bills are placed in the lobbies, so that Honourable Members who are really careful over this matter, have after seeing the agenda an opportunity of seeing the Bills in the lobbies. But that is a different matter. The motion for leave is more or less a formal thing.

The question is:

"That leave be granted to introduce a Bill to provide for the rationalisation of the production and supply of electricity, and generally for taking measures conducive to the electrical development of the Provinces of India."

The Motion was adopted.

The Honourable Shri N. V. Gadgil: Sir, I introduce the Bill.

INDIAN MERCHANT SHIPPING (AMENDMENT) BILL

The Honourable Shri N. V. Gadgil (Minister for Works, Mines and Power): Sir, I beg to move for leave to introduce a Bill further to amend the Indian Merchant Shipping Act, 1923.

Mr. Speaker: The question is:

"That leave be granted to introduce a Bill further to amend the Indian Merchant Shipping Act, 1923."

The Motion was adopted.

The Honourable Shri N. V. Gadgil: Sir, I introduce the Bill.

Mr. Speaker: Of course the object of putting the Motion, though traditionally the convention is that leave is to be granted as a matter of course; is to keep up the form because it is perfectly competent to a Member to oppose the introduction, and if he so wishes, to kill the Bill at the very initial stage.

Mr. Tajamul Husain (Bihar: Muslim): How can any Honourable Member do so when he has not read the Bill?

Mr. Speaker: He should read it in the lobbies.

Mr. Tajamul Husain: There is only one copy of the Bill and more than three hundred Members. How is it possible?

THE RAILWAY BUDGET—LIST OF DEMANDS

SECOND STAGE

Mr. Speaker: The House will discuss the Demands for Grants in respect of Railways now. I understand that a list showing the agreed Cut Motions which will be moved has been circulated to the Honourable Members.

As regards the 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 Honourable Ministers replying. I might add that it may be necessary if a larger number of Honourable Members wish to speak on these Motions, to further curtail the limit to 10 minutes as we had to do yesterday. I trust this suits Honourable Members.

(Members expressed their assent.)

Haji Abdus Sattar Haji Ishaq Seth (Madras: Muslim): Before you call upon the Motion to be moved, there is a further point of agreement, which I want to bring to your notice with regard to our Cut Motion No. 6. It has been agreed that this Cut will be taken up at ten minutes past Four, whether the other Cuts are finished or not.

Incidentally I have some objection to the heading that is put to this cut, but I will raise it in your Chamber as I do not want to waste the time of the House.

Mr. Speaker: Well, if that is an agreed matter, I have no objection. I take it then that Cut No. 6 will be moved at ten minutes past four and the Cut under discussion at that time will close at that time.

Mr. B. Pocker Sahib Bahadur (Madras: Muslim): May I know, Sir, if it is taken at ten minutes past four, whether there will be twenty minutes time left for the Member to reply in view of the fact that at half past four we have some other business to attend to?

Mr. Speaker: I am sure the Honourable Members will adjust within themselves so far as the time is concerned. The point is that the Cut has to be

[Mr. Speaker]

disposed off within twenty minutes and I believe there is also a further agreement that cut-motion No. 2 will be taken up after No. 5.

(Members expressed their assent.)

That is right. So we will proceed accordingly.

I think we might revise the procedure. I remember, last time at the time of General Budget, instead of putting in each Demand separately I stated that "the Demands included in the Order Paper be voted upon." That was the Motion and the House agreed to it, so that we disposed off all Motions in about a minute's time. So it is possible for us to deal similarly with the present demands instead of putting each of the Demands separately, to Honourable Members. First we may take those Demands in respect of which there are Cut Motions. Then after the Cut Motions are disposed of, in case any Cut Motion is carried, that Demand will have to be put to vote separately, and then the other Demands in respect of which no Cut Motions have been carried may be put up as a consolidated proposition, so that, we shall finish the voting in five minutes' time. That will mean that the time for discussion could be extended from 4-30 to 4-55 P.M.

Shri M. S. Anay (Deccan and Madras States Group): There is one point in this connection which I wish to bring to your notice. When you put all the demands to a consolidated vote, the right of a Member to record his vote against any particular Demand is taken away.

Mr. Speaker: Not taken away; I considered this point also and in case any Honourable Member wishes me to put a particular Demand separately, I shall split up the proposition and put it separately to the House.

Mr. B. Pocker Sahib Bahadur: May I know now whether this will require a re-arrangement about this ten minutes past Four business?

Mr. Speaker: The thing may be adjusted by agreement of parties outside the House so that I may be able to announce it by 2-30.

Haji Abdus Sattar Haji Ishaq Seth: Sir, May I point out that all these cuts can come under Demand No. 1, so that Members may in future see that all Cuts are sent under Demand No. 1.

Mr. Speaker: That is a different matter.

DEMAND No. 1.—RAILWAY BOARD :

The Honourable Dr. John Matthai (Minister for Railways and Transport): Sir, I beg to move:

"That a sum not exceeding Rs. 20,80,000 be granted to the Governor-General to defray the charges which will come in course of payment during the period 15th Augst, 1947 to 31st March, 1948, in respect of 'Railway Board'."

Mr. Speaker: Motion moved:

"That a sum not exceeding Rs. 20,80,000, be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to 31st March, 1948, in respect of 'Railway Board'."

Overcrowding in Trains

Dr. P. S. Deshmukh (C.P. and Berar: General): I move:

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

Mr. Speaker, Sir, as you have told the House, by common agreement we are going to discuss only a specific number of Cuts and Motions. I had, as the House is aware and as you are aware, Sir, given a very large number of Cut

Motions. Some refer to the comfort of passengers; one of them refers to the overcrowding of trains; there were some of a more or less local nature which refer to my particular province; there were others which refer to the chronic thefts of Railway property and the want of switches, want of mirrors, want of hangers, impossibility of closing some doors and impossibility of opening others—all these things had been worked out by me and notice of them was given in the shape of different Cuts on different demands.

That position of course has altogether been altered on account of the agreement reached among various parties in the House, and it is now my specific business to move this particular cut on which I wanted to raise a discussion on the subject of overcrowding in trains. But because I had given notice of so many cuts my name was not included among those who were to speak on the general discussion. That is another difficulty of mine; but in view of the fact that there is going to be considerable saving of time on account of this agreement I hope the Honourable Minister will not mind my making a passing reference to subjects of which I had given notice in my cut motions. They are merely in the nature of asking for information, and I understand that one of the things that can be done in the voting on demands is to seek information on particular subjects. So, Sir, I hope you will permit me the latitude of referring to certain other items in this very speech of mine which should, properly speaking, be limited only to the question of overcrowding.

Sir, the whole House has listened very carefully to the very lucid and frank speech of the Railway Minister and, as my Honourable friend Mr. Aney remarked, the Minister of the present day sitting in this House has the enviable good fortune to get his budget through without any strong criticism against it and with congratulations from all sides, even though the budget reveals an increase in fares and although he has not been able to promise any modification of the present position on the railways to any appreciable extent. None the less this overcrowding in trains is a problem which has agitated my mind for a very long time, and I am sure that every one who has any consideration for the comforts of the travelling public must have experienced similar sentiments and must have been similarly affected. Sir, I think in this particular matter the Honourable Minister for Railways has not been able to pay that attention which in my view he should have paid. We know he has been working in very difficult circumstances, we know the various upheavals in the country which have caused considerable dislocation of the administration and intensified his difficulties; but none the less I consider the overcrowding of trains in India a matter of such serious importance that the earliest opportunity should have been taken by every one concerned in the department to rectify the present situation. Some of my Honourable friends said that people were herded together like cattle, and another honourable friend amended it by saying that they were packed like sardines. My view is that neither cattle nor sardines—if they were alive—would be able to tolerate the situation which is being forced upon people in the present circumstances. If my honourable friend would make it a point to stand on any of the bridges like the Jhansi bridge or the Bhusaval bridge or the Muttra bridge he will realise—as I do not think he does not realise—what discomforts the passengers of the third class and all other classes in fact are undergoing. For that I suggest that he should issue an order to the whole department that every one of his assistants who gets anything above Rs. 500 a month should not travel by any other class except the third. Only then will they realise the amount of humiliation and persecution that is being inflicted upon passengers, specially those in the third class. Although we are not often required to travel in the third class we still cannot help observing at the stations how people get into and out of these third class compartments and how the people who have occupied seats before them are also made to suffer injuries and hardships. Very often the only method of getting into a third class carriage is to throw your trunk through the window and then yourself climb through it.

[Dr. P. S. Deshmukh]

When the trunk is thrown in some people have to make room—although very reluctantly—for that passenger. The trunk is a good weapon and once you are able to throw it in you find it easy to get in also. This thing ought to stop and if a serious effort is made I feel certain that a great deal of improvement is possible. After all the average Indian is usually satisfied with very little and it is quite easy to please him and arrange for his comfort. If regular third class passenger coaches are not available, I am sure that if goods carriages are converted into third class coaches with some benches provided and some covering on them, people would be satisfied. But even that the railway authorities have not been able to do. I was told in my younger days that Englishmen believe that cows have no souls. Whether it is true or false I must say that the only other people who have no souls are the Railway Minister and his staff. The situation is so horrifying and so utterly disgraceful that if a foreigner were to come and see the way in which we treat our own people, I am sure he would be tempted to declare that India is not yet fit for self-government. Things which cattle or even inanimate things would not bear are being borne by the whole of India for the last six years. People were hoping that with the end of the war something would be done and the situation would improve; now independence has dawned on the country and our own Minister for Railways is sitting there to preside over the department. But the people have been sorely disappointed when he delivered his long speech without holding out any hope of the situation being rectified in the matter of overcrowding and without any hopes of additional comforts for passengers. I hope that even though he has not been able to hold out any hopes during his reply he will reconsider the position and tackle this issue in some way or the other. He has told us in reply to certain questions that they are trying to evolve certain new patterns of carriages. I for one am not enamoured of any new patterns; let the old patterns be there but let there be more room. That is the first request that I make to the Honourable Minister; and I am sure that if he sets his mind to it and his staff has any compassion for the public, there is much possibility of the present situation being rectified. It can be done by evolving some sort of temporary makeshift arrangement; even that will be a matter of some consolation. Travelling up and down the railways quite often and quite regularly I feel that there is no one who stops to consider if anything is possible. The whole railway administration has become so irresponsible that in the matter of inconveniences and complaints people have become quite despondent and they do not feel that there is any possibility of improving the railway administration in the country. I hope the Railway Minister is not so apathetic as this department and he should even now give us an assurance that every one of the discomforts from which the general public is suffering will be put an end to at the earliest possible moment. I cannot understand who arranges the time-tables and the number of carriages to be attached to a particular train. Very often I find on the Nagpur-Bombay line that sometimes there are fourteen bogeys and only one engine. But sometimes the number suddenly and without any notice comes down to ten. Consequently there is far more crowding. The situation is bad enough and it becomes still worse. There is no one who will listen to any complaints. At Bhadnera Station once I had no drinking water of my own with me. I went to the tap at the station and when I opened it I saw the water coming out contained profuse dirt and molasses. There was a guard standing nearby and I asked whether people were expected to drink such water. He said it was there for a long time and in spite of his own complaints nothing had been done. In the meantime a peasant came along with a small boy. I told them not to drink this water. But the peasant refused because he said the child was thirsty. Before I could make them listen to me the boy had drunk this water and gone away. Such is the condition in one of the important railway junctions. There is no one who appears prepared to listen to the complaints. Now, this sort of situation ought to end and there should be someone to look into these matters periodically. If

it was really a Department which had some consideration for the comfort of the people, the situation at these stations could not have remained what it is. Already the Grand Trunk Express and other trains are fully loaded and yet at stations like Jhansi there are 200 to 300 people always waiting to get in. I have very often travelled in a second class where there is room for six passengers but in fact there are nineteen people, and then you have to imagine the luggage of these nineteen people which has also to get in. I am sure it is possible to have more trains in addition to those already running because this overcrowding is chronic. When we find that such obvious things are not attended to by the department, I am right in saying that the Department has ceased to function and ceased to have any compassion for the people. They appear to think that they are drawing their pay and the people are still travelling and the railway budget can be balanced and so long as their salaries are drawn and railways are running, and people are there to travel, they are satisfied. That is not the satisfaction for which we have come to this House and although it is our own Government and our own Minister, we are not satisfied merely by the lucidity of his speech or the expert presentation of his case. We want all that to be translated into the comforts of the people. As long as that does not happen, we cannot have much of a good word to say for the Honourable the Railway Minister or for his staff.

Another matter is this. Why should it not be possible to have more carriages manufactured at a shorter period? We have the whole Indian budget at the disposal of the Government. I think with greater impatience for doing good to the people much more could be achieved. We are prepared to pass Bills in a couple of minutes and give the most autocratic powers to the Government. If my honourable friend wants the power to shoot at sight anyone who takes away anything from the railways, we can give it to him. He cannot say that he cannot build carriages because there is no material. We are prepared to give him a short time, but he must improve matters, because here we have a Government in which we are prepared to place the fullest confidence, and we are prepared to empower it to the fullest extent. After that they can have no excuse. What does the building material consist of—bricks, cement and steel. The steel companies are there and the cement companies. If they can't supply they can get the material imported from elsewhere. All these things should be possible because we have a Government whose hands we are prepared to strengthen and to which we are prepared to concede any powers they want. With this they ought to achieve results in the shortest possible time. Sir, I move:

Mr. Speaker: (Cut motion moved.)

“That the demand under the head ‘Railway Board’ be reduced by Rs. 100”.

Dr. B. Pattabhi Sitaramayya (Madras: General): I have great pain in supporting whatever my friend has stated. His is an experience which we have all shared for a long time. We have all witnessed the sufferings of the third class passengers. I had myself been for many years of my life—a major portion—a third-class passenger. Then I promoted myself to inter-mediate: later I was allowed the second class: on occasions although reservations were there, an earlier passengers had occupied the berths, I had to transfer myself to a first-class, and in my 68th year I have been travelling by air. It is not because I like to do so but because it is humanly impossible to execute third-class travel from its first to its last stages.

In the first place you cannot get a ticket. The booking clerk will not come till two minutes before the train comes. However much you may press for it, he will not come. These people are absolutely like buffaloes under rain. Nothing will move them and they are the lords of the station and they do not

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see that the Government has changed. The Government has not changed as yet for the officials. It has only changed for the Ministers. The department does things in the same ante-deluvian, wooden way that it used to do in the time of Mr. Mantague. Of course the Ministers might represent new engines but the departments represent the old bogeys, rickety and ramshackle, and the biggest speed that you can develop is the speed that the old bogeys can develop. As no chain is stronger than the weakest link, the Minister is no faster than his slowest department official. The railway officials are looked upon by the public with a feeling of bitterness and helplessness because they are not attentive to the comforts of the people nor are they sensitive to the growing changes in the times. You must put a little patriotism, common-sense and decency into the administration: then they will be able to act up to the requirements of the times and not otherwise. This requires not a departmental reminder but conferences—Agents of the railways and Ministers addressing the staff personally, telling them that the world and the times have changed, that the needs of the people have changed and they must change also.

Then we get to the next stage when the gate of the waiting room is not open until the train has arrived. Then there is much crowding. The boxes on the porters' head strike your forehead and then you must attend to the injuries before you get into the train. When you try to go into the train there is no one to conduct third-class passengers. The porter is riding rough-shod over them; the station master is ringing the bell; the guard is sounding the whistle; the engine-driver is driving the train. No one waits to see whether the station platform is clear of passengers. There are no caretakers in the Railway Department. A watch and ward department there is which takes care of the thefts in the yard and they have done some good work but the passenger's caretaker department is not there. Often times there is only the Assistant station master who is the jack of all trades. He is the poor devil of the Railway institution. He is the cinderella of the Railway Station. He is the most hard-worked man and he has to issue tickets, collect them and see to this, that and the other business and it is an impossible task for him to attend to traffic. Now then comes the third stage when you must get into the train by the process which has been very graphically described by my Honourable friend the mover of the motion. You reach the doors, they are not open; they are banged from inside. People sit against them. Therefore you must adopt the new process, what is known as entry and exit through the window. It is an extraordinary procedure. At station after station, whether big or small all third and intermediate class passengers have to effect their entry or exit only through the windows.

I have often been asked as to why I do not keep a secretary. A certain friend of mine came to see me and when he saw me writing my letters, picking the envelopes, pasting them and posting them myself, he offered to pay me Rs. 500 a month to enable me to engage a secretary and asked me "Why don't you employ a secretary and take him along with you." I told him that I would have to look after the Secretary and the secretary could not look after me, because he cannot get out of the carriage. If he manages to come out of his carriage, he cannot get in. Then I have to go in search of him to see whether he has had his food or not. While I am in search of the poor fellow who has been locked up somewhere, the train moves in the meantime and I have to run at great peril to my life or at least to my health. Having experienced all these things I have decided not to have a secretary. I do my own business and do as much as I can do myself.

When all this has been done and we travel and we reach the destination we come out. That is the fourth stage. At the wicket gate you have another

struggle to get your luggage out. Only one gate is open. Can't they open the other gate? No they do not open it. There is the station master, the assistant station master, the booking clerk, the luggage clerk and so on, every person simply smoking away and nobody takes charge of the second gate. Even if there are 500 persons only one gate is open. Why should it be the case?

There are other difficulties in travel. At Samalkot station we have to cross an over-bridge in order to take the train for Cocanada. There is no second class in the shuttle coach and we have to take an additional ticket at Samalkot for Cocanada or travel without a ticket. The booking clerk at the station is always absent, at any rate, this has been my experience ten times, twenty times.

Bezwada is a huge nice station. For 15 years I have been carrying on correspondence with the Traffic Superintendent and the railway authorities to prevent the channels of urine flowing on to the platform which we have to cross before we get to the Masulipatam train. Right in front of the intermediate and second class compartments these channels make streaks like the rivers of a deltaic system. I begged the authorities to dig a small drain, so that the urine may be drained off into the general pool but I was told that that would encourage people to commit nuisance there. But what are they doing now? They are compelling the passengers to tread upon this filth. In Andhra country and in South India generally 95 per cent. of the people do not wear shoes. It may be a bit of news to the House. These people have to tread upon these channels or caked up urine and get into their compartments. I do not know how much postage I wasted over this business. But the authorities are unmoved. Such an impenetrable mass of human material I cannot come across. It passes my comprehension why they could not do a simple thing when a friend like me has begged them to do it? Have I suggested anything wrong? I simply asked them to construct a small drain so that the flow of urine may be led into the main channel and not right on to our platform.

The mail train from Calcutta to Madras has to run 900 miles by the time she comes to Bezwada absolutely crowded. We can never get any seat in it. Booking is useless. The passengers who entered at earlier stations have occupied the seats. The station master says "Your name is there. Sir, but I cannot help you. You can prosecute the gentlemen inside." This is an additional penalty for us. Therefore I suggest that from Waltair to Madras a special mail train be run. You are now content with a mail train from Calcutta to Madras. From Calcutta to Waltair is the B. N. R. From Waltair to Madras is the M. S. M. Railway. Make the latter a separate link altogether. We can then be sure of seats: otherwise it is impossible to get any.

In the matter of relieving crowding, I would suggest, if that were possible (I do not know whether it will be possible) that you build an upper storey to the third class carriages as in the tram cars. That will considerably minimise the expenditure and double the accommodation.

An Honourable Member: And then build an overbridge!

Dr. B. Pattabhi Sitaramayya: No, you will have a staircase, not an over-bridge to go up to the upper storey. Unless the proposition is palpably absurd I wish it to be considered. There is a shaking of the head as well as of the hand of the Honourable Minister for Railways. A layman's suggestion should not be so summarily dispensed with, because technical men are hopeless. You should never trust them. As far as possible reject their advice and force a layman's sound commonsense on their (new sense) view.

As for crowding at the Booking offices I need not say much. You must pay the constable there, or you must pay somebody else to get a ticket. The booking clerk makes a point of not handing back the small change, he owes you, if you give Rs. 2 and the fare is Rs. 1/14/- or you give a Rs. 5 note and the

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fare is Rs. 4. All these things have to be controlled in big stations. I must say that in Bezwada on the whole things are not so bad.

Then, at big or medium stations booking stations in the towns have been abolished during the war. They must be restored as early as possible. I have many things to mention but I may own I have not come prepared. Whatever positive suggestions of a constructive nature I may have I will send them to the Railway Minister.

Mr. B. Pocker Sahib Bahadur: Sir, as I had no opportunity of taking part in the general discussion I would now join the chorus of congratulations to the Honourable the Railway Minister for the lucid manner in which he has presented the budget? But I cannot agree with Mr. Aney when he said that he is the most fortunate member, because he has practically no opposition in this House. I would rather wish that he had a much better opposition than what there is now for then he would have been in a much better position than now to improve the railway system in the interests of the public.

From the way in which the Honourable Minister was making his speech on the budget I thought I was listening to a professor on railway economics lecturing to his students on account of the lucid way in which he was explaining his budget. At the same time I must also point out that he has treated this House also with some criticism which I think the House does not deserve. He says on page 8 of his printed speech, after quoting from an English journal on railway transport:

"I make a present of this to the House because I think that it is important that in discussing the problems of Indian railways we ought to develop a better comparative sense and a greater sense of proportion."

I do not think that in the discussions in this House the members had done or spoken anything so as to deserve this criticism from the Honourable the Railway Minister. I shall leave it at that.

Coming to the point which is covered by the motion before the House, viz., overcrowding, I must first of all say that it has been my experience that speeches made on cut motions or during the time of the general discussion on the budget ended with speeches alone. During the previous government an opportunity was given to Honourable Members to make eloquent speeches on various aspects. But if the object of these speeches is to give effect to the suggestions made I do not know whether even one in a thousand has been carried out. All that related to a time when the circumstances were entirely different from what obtains now. In those days we were under a bureaucratic foreign government whereas now we are our own masters. This is the first occasion when the Honourable Minister has an opportunity of showing what a popular government is. The taste of the pudding is in the eating of it. I would therefore ask the Honourable Minister to see that the suggestions made in the Honourable House are carried out in practice so far as it is practically possible for him. No doubt he has innumerable difficulties in carrying out these suggestion. As the Honourable Mover of this motion had already told him "we are ready to help you and to sanction anything that you want to carry out any of our suggestions." In the face of that I hope that he will take all the criticisms that are made in this House seriously and not treat them as was done by the previous Government, and give effect to them by translating them into action.

As regards overcrowding, some of the previous speakers have referred to the passengers as cattle, but I would go a step further because cattle will not bear such treatment. If you put a larger number of cattle in a truck than what it

can contain, they will kick and make up a row. But what is being done in respect of passengers is that they are treated as chattel, as inanimate beings. If you see the overcrowding in certain carriages you will shed, not tears, but blood will come out of your eyes. The pathetic way in which these passengers are situated is such that there have been many cases in which people have been so crowded and affected so much by the overcrowding that some women and children have fallen out of the running train and have died on account of the fall. I know that some little babies were actually seen dying on the platforms after being brought out of the train because of overcrowding and the consequent suffocation. There have been so many instances of that nature. That such state of affairs should be allowed to continue in this country is the greatest disgrace. The question is put by the Government 'What are we to do? What are the remedies?' Certainly there are remedies and if the Government take it into their head seriously to consider the situation and ameliorate the condition of the passengers and avoid overcrowding, it is really possible and practicable to do so. Many remedies have been suggested to the railway authorities to avoid this overcrowding. For instance, the suggestion was made that where there are a certain number of trains running between two stations one more train could be introduced. Such practical suggestions have been made. But in the old bureaucratic manner they have turned a deaf ear to them.

In this connection I would suggest that there must be at least some kind of an Advisory Board representing passengers who should be consulted by the railway authorities. They will be in a position to suggest ways and means of easing the situation. If the Government are really serious about it they can constitute such a Board representing the passengers of all classes, so that they can make practical suggestions for easing the situation. I need not add much to what has already been said about overcrowding and the most unsatisfactory state of affairs regarding accommodation. I would submit that the present Government which is a popular Government, which claims to reflect the views of the people and says it is there to carry out the wishes of the people, must do everything in its power to see that the passengers travel comfortably and are able to use the railway carriages with safety and convenience. The present Government is not like the previous Government and is bound to do that. If they are not able to carry out the wishes of the people I would say let them plead their inability and quit their office.

Shrimati Dakshayani Velayudhan (Madras: General): Sir, I wish to say a few words about the condition of the third class ladies' compartments on the railways. When a train leaves a station the most crowded compartment in the train will be the third class women's compartment. What is generally done is that the men bring their women and children and also the luggage into the third class women's compartment and push everything into that compartment. They can go and get into any compartment. But there will be only one third class compartment in the whole train for women and it will be packed with women and children and luggage. I think that third class compartments for women were made at a time when women seldom used to travel from one place to another. It is now high time that these compartments were replaced by bigger compartments and more facilities made available. Recently, though I did not have the misfortune to travel in the third class women's compartment, I had to face almost the same fate. When I reached New Delhi railway station there was no way to get out of the compartment. All the doors and windows were blocked as the whole compartment had been packed with women and children. It was with the greatest difficulty that I could get out of the compartment.

There is another difficulty with regard to third class compartments for females. Even when the train starts there will not be even a drop of water in the pipe. Sometimes a tug of war will be required to extract a drop of water

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from the latrine pipe in the women's third class compartment. Sometimes there would be no water throughout the journey. It is the women who have to suffer all the way. When they have their children with them they need more water throughout the journey. I hope the Honourable Minister will see that more facilities are made available to women passengers in the third class compartments.

श्रीमती कमला चौधरी : माननीय अध्यक्ष, मैं आपके द्वारा रेलवे विभाग के माननीय मंत्री महोदय का ध्यान इस ओर ले जाना चाहती हूँ, हालांकि मैं देख रही हूँ कि बहुत से सदस्यों ने ऐसे सभी विषयों को लेकर रेलवे में आज जो अपार भीड़ के कारण दुर्घटनायें हो रही हैं, इस ओर आपका ध्यान आकृष्ट किया है। लेकिन मुझे सबसे अधिक यह बात चिंतनीय लग रही है कि आज भीड़ के कारण यात्रा में केवल यही दोष नहीं है कि यात्राओं में तरह तरह की कठिनाइयाँ होती हैं बल्कि इससे हमारे समाज की और हमारी संस्कृति की हानि हो रही है। दिन प्रति दिन गत युद्ध से आज तक रेलवे विभाग की सारी व्यवस्था एक प्रकार से नष्ट हो चुकी है जिस कारण आज यह कहा जा सकता है कि वह दुर्गति की और दुरावस्था की अंतिम सीमा, या चरम सीमा को पहुंच चुकी है। और इसी के कारण अभी अनेक मेम्बरों ने इस ओर माननीय मंत्री महोदय का ध्यान आकर्षित किया है और स्पष्ट किया है कि इससे अनेक प्रकार की कितनी ही दुर्घटनायें होती हैं। यहां तक दिन प्रति दिन ऐसे विवरण सुनने में आते हैं कि दुर्घटनाओं के फल स्वरूप मृत्यु कितनी अधिक संख्या में होती है। यात्रा करने वालों को, विशेष कर जो स्त्रियाँ हैं, उनको बहुत अधिक कठिनाई होती है। स्त्रियों के लिये भीड़ में टिकट खरीदना दुर्लभ होता है और किसी प्रकार टिकट खरीदकर भीड़ में डिब्बों में बैठ जाने पर भी सांस लेना मुश्किल होता है—बैठने पर वहाँ ऐसे दृश्य उपस्थित होते हैं कि थोड़ी देर के लिये ऐसा मालूम होता है कि जैसे मानवता के विरुद्ध कोई बात हो। साथ ही हमारे यहां के तीसरे क्लास की जो परिस्थिति आज कल होती है, उसमें तो ऐसा ही महसूस होता है कि शायद पशु भी इस प्रकार किसी बाड़े में बंद न किये जाते होंगे। छोटे छोटे बच्चे कुचल जाते हैं। और मृत्यु, चोरी आदि की बड़ी बड़ी दुर्घटनायें होती हैं। हर एक सुशिक्षित व्यक्ति इस बात को समझता है कि इतनी अधिक भीड़ में एक दूसरे को बहुत अधिक बीमारियाँ लगने का अंदेशा होता है। फल स्वरूप छोटे छोटे बच्चे एक दूसरे से बीमारी के कीटाणु लेते हैं और अनेक बीमारियों के शिकार होते हैं।

साथ ही मैंने जैसा अभी आपके सामने अपना विचार रक्खा इससे एक प्रकार से हमारी सांस्कृतिक हानि हो रही है, और वह यह कि भीड़ के कारण टिकट लेना असंभव होता है। स्त्रियों के लिये भी और पुरुषों के लिये भी इस प्रकार की कठिनाइयाँ मौजूद हैं। उससे जो अनुशासन हमारे यहां की जनता में था कि सब लोग टिकट लेकर बैठना ही

प्रतिष्ठा मानते थे, आज एक प्रकार वह समाप्त हो रहा है, और जो टिकट नहीं लेना चाहते हैं उनके लिये एक बहाना भी हो गया है इस अनुशासन के पालन न करने का। इसी प्रकार अगर आप देखें तो जनता से लगाकर रेलवे विभाग के कर्मचारियों तक में यह अनुशासन पालन की भावना नष्ट होती जा रही है। आज अनुशासन मानने की भावना रेलवे विभाग में लाना जरूरी है। अगर वहां अनुशासन नहीं रह जाता है तो इसका प्रभाव अन्य विभागों पर भी पड़ता है। रेलवे विभाग में जो जनता सफर करती है वह हमारे समाज की है, हमारे देश की है, जो प्रत्येक विभाग और समुदाय के सम्पर्क में आती है, अगर उसमें सदाचार की कमी होती है उसका अनुशासन एक जगह नष्ट होता है तो उसका प्रभाव सारे देश पर और सारे समाज पर पड़ सकता है इसलिये मैं समझती हूँ कि आज जो घटनायें और जो रेलवे विभाग की व्यवस्था में—भीड़ के कारण खराबियां पैदा हो गई हैं वह सिर्फ रेलवे विभाग तक ही सीमित नहीं हैं बल्कि उसका प्रभाव सारे देश पर और सारे समाज की जनता पर पड़ रहा है। आज आजाद होने के बाद सारी जिम्मेदारी, ऐसे किसी भी विभाग के अव्यवस्थित होने की हमारे देश के ऊपर है, हमारी सरकार के ऊपर है।

इसलिये मैं रेलवे विभाग के माननीय मंत्री महोदय का ध्यान इस ओर दिलाना चाहती हूँ। वे जिस प्रकार भी उचित समझें, इस अव्यवस्था को दूर करने का उपाय करें। इस विषय की वह स्वयं भी बहुत जानकारी रखते हैं और अच्छी तरह समझ सकते हैं कि कौन ऐसे उपाय प्रयोग में लाये जाय कि जल्द से जल्द रेलवे विभाग में सुधार हो, अव्यवस्था दूर हो जाय। और शीघ्र ही हमारे यहां के रेलवे विभाग की वृद्धि हो, वहां के कर्मचारियों की वृद्धि हो। अधिक से अधिक गाड़ियां चलने लगेँ जिससे अधिक संख्या में यह भीड़ न हो और यह जो खराबियां उत्पन्न हो गई हैं वह दूर हों।

मुझे ऐसा भी मालूम हुआ है कि आर्थिक हानि सरकार को रेलवे में हो रही है। आर्थिक हानि के साथ ही इससे सामाजिक और सांस्कृतिक हानि भी दिन प्रति दिन बढ़ती जायगी यदि शीघ्र सुधार का प्रयत्न न हुआ तो।

मैं उनका ध्यान इस ओर भी आकृष्ट करना चाहूंगी कि आजकल जब से शरणार्थियों का आना जाना इधर उधर शुरू हुआ है तब से इस रेलवे की व्यवस्था में और भी ज्यादा खराबियां और यात्रियों के लिये और भी ज्यादा कठिनाइयां उत्पन्न होती जा रही हैं। दिल्ली से सहारनपुर जाने वाली गाड़ी में मैंने यहां तक देखा है कि जब अपार जन राशि के कारण डिब्बों के अंदर जगह नहीं रहती है तो यात्री गाड़ी के बाहर राड (rod) के सहारे गाड़ी की सीड़ियों पर लटका करते हैं। जो व्यक्ति आज कल यात्रा करते हैं उन्हें भली भांति ऐसा अनुभव होगा। इसके अतिरिक्त ऐसा भी देखा गया है, मैंने स्वयं भी देखा है कि गाड़ी के भीतर स्थान के अभाव में लोग छतों पर भी बैठने लग जाते हैं जिनमें मुझे ऐसी घटनाओं का पता है कि कुछ व्यक्ति बेहोश हो कर नीचे गिर गए और कुछ की मृत्यु हो गई। अभी तीन चार दिन का जिक्र है मेरठ

[श्रीमती कमला चौधरी]

में ७०-८० व्यक्ति उतरे थे जिन में से बहुत से बच्चे ऐसे थे जिन्हें निमोनिया हो गया था और उस में से कुछ मृत्यु को भी प्राप्त हुए। त्रियों से पूछने पर मालूम हुआ भीड़ के कारण गाड़ी की स्विडकियां बन्द करना असंभव था। अव्यवस्था के कारण ऐसी दुर्घटनाओं का होना मैं समझती हूँ आज इस सरकार के लिए, हमारे देश के लिए बहुत शर्म की बात होगी।

इसलिये मंत्री महोदय का ध्यान मैं इस ओर आकर्षित करती हूँ कि शीघ्र से शीघ्र जो भी उपयोगी उपाय वह उचित समझें कार्य में लायें जिससे कि स्टेशनों पर और रेलगाड़ी के डिब्बों के अंदर, प्लेटफार्म पर और कम्पार्टमेंट के अंदर जो अत्यधिक भीड़ होती है जिसके कारण यह अनेक प्रकार की घटनायें और अनेक प्रकार की हानियां हो रही हैं उसका शीघ्र ही उचित प्रबंध हो और रेलवे विभाग की व्यवस्था उत्तम हो।

इन शब्दों के साथ मैं माननीय सदस्य डाक्टर देशमुख के प्रस्ताव का समर्थन करती हूँ।

English translation of the above speech.

Shrimati Kamala Chaudhri (U. P.: General): Mr. Speaker, through you I wish to invite the attention of the Honourable Minister for Railways, as I find, that though many Honourable Members of the House have spoken and have drawn your attention towards all such incidents that are taking place these days on account of tremendous rush on railways, yet the one, I feel, needs our attention most, is the harm that is being done to our society and culture as a result of the overcrowding besides other difficulties experienced on the way. Since the last war the entire working of the Railway Department has been going down day by day and it can be said that it has now reached the last stage of degradation. For this reason only various Members of the House just now drew the attention of the Honourable Minister and have shown to him that all sorts of accidents are taking place on account of overcrowding. Not only this but we are also told day by day that a very large number of men is dying as a result of these accidents. The passengers, particularly the ladies, have to face many difficulties. It is impossible for them to purchase their tickets in the rush, and if some how or other they get their tickets and enter the compartments they find it very difficult even to breathe there. While after occupying their seats they only witness such scenes as are totally against civilisation. In fact, the look of a third class compartment here these days is so dissatisfying that perhaps the animals are not packed so badly in a yard. Generally the little ones get overlaid or crushed. Other incidents like theft and death also take place. Every educated man realizes that there is a danger of catching a disease in a crowded place. Therefore, as a result of the overcrowding many children catch diseases from one and another and ultimately die.

Further, as I have pointed out before, there is a cultural loss too on account of this overcrowding. As it is impossible to obtain tickets in a rush and both men and women have to face that difficulty and people are gradually giving up that habit which they had imbibed and felt proud of occupying their seats after purchasing a ticket. Consequently those who do not want to buy their tickets

now and do not care to follow the rule have found an easy pretext. If you try you will find that the idea of following the rules is disappearing from the minds of the public as well as of the Railway staff. It is, therefore, essential to bring home the idea of discipline to the men of the Railway Department. Because if they do not observe the rules, other departments will be affected in the like manner. The passengers are a part and parcel of our society, of our country. When they travel they come in contact with men of every section and society, if, therefore, they misbehave they will affect the whole society and the whole country. I therefore say that the shortcomings that have crept into the working of the Railway Department do not merely hit that very department but affect the whole country and its people. After the attainment of freedom, the responsibility of having bad discipline in a department, is on our country—on our Government.

I, therefore, want to draw the attention of the Honourable Minister for Railways towards the need of finding some methods to remove the defects. He is an expert in this matter and understands what methods he should adopt to remove the faults so that there is an improvement in this department, and the department flourishes again, there is more staff, there is a larger number of trains moving and there is ample accommodation for all and there is no overcrowding which causes miseries to others.

I have learnt that the Government is having a financial loss on Railways. With the financial loss, the cultural and the social losses are also increasing day by day, if there is nothing to check them.

I shall also like to invite the attention of the Honourable Minister towards irregularities that are increasing every day in the management of Railways after the trains have started carrying refugees from one place to another in all directions. On the Delhi—Saharanpur line I have seen men clinging to the railway compartments by holding on the iron-rods and resting their feet on the foot-boards because of the lack of accommodation within the compartments. Anybody travelling these days must have noticed this thing for himself. Besides this I have also seen people travelling on the roofs of the compartments when they could not find any room in the train. It is also within my knowledge, that a few of them actually fainted while a number of them met death. Hardly 3 or 4 days ago a number of passengers about 70 or 80, detrained at Meerut. Some of the children among them were suffering from Pneumonia, and a number of them died later. It was stated by the women folk that due to overcrowding in the train it was impossible to close the windows. Such incidents which are due to lack of management, in my opinion, is a matter of great shame for this Government and for the country.

I, therefore, invite the attention of the Honourable Minister and request him to take such measures as are considered fit to stop overcrowding on Railway platforms, and in the Railway compartments, and to stop the occurrence of accidents caused by overcrowding and to take such measures as are necessary to improve the condition of the Railway Department.

With these words I support the cut motion of the Honourable Member Dr. Deshmukh.

The Honourable Dr. John Matthai (Minister for Railways and Transport): Sir, in listening to the debate on this motion, I have not been told anything which I have not already known and have not been deeply conscious of. When Honourable Members tell me that I do not know by experience or observation what is happening in the case of our lowest class passengers, they do me less than justice. There is no question regarding railway administration which has been more acutely present to my mind and to which I am more anxious

[Dr. John Matthai]

to give thought than the conditions under which our third class passengers are travelling. Now I am tired of offering explanations and putting forward excuses, and I do not want to do that any more. What one is out for if one is to be of any service at all is to see that definite practical steps are taken, that we get a move on with regard to these matters. That is an intensely practical matter. When I listened to my friend Dr. Pattabhi Sitaramayya I thought the solution to this whole question according to his way of thinking was that there should be a change of heart on the part of those who are responsible for the administration. I believe there is a great deal in it. But primarily this question is not a question of changing anybody's heart. Primarily this question is one to be dealt with on a concrete practical basis. What is the reason for this overcrowding? Overcrowding is the result of two factors: the amount of coaching capacity that you have and the amount of passenger traffic that you have to carry. It is really the coefficient of these two factors that gives you the problem, and with all the good intention in the world if one wants to make a change in the situation one has got to tackle it from one end or the other or from both.

As regards this question of the number of coaches—the amount of transport capacity that we have—I gave the House a few figures in my reply to the General Debate. Between April 1946 and August 1947, we have been able to put into service about 370 additional coaches which have been built in our Railway workshops. We have under construction, both in our Railway workshops and with outside concerns, about 2,500 coaches, in terms of four-wheelers. We have in addition, as I told the House in answer to a question this morning, about 500 coaches on loan to the Defence Ministry. That is the limit of our capacity for increasing our transport accommodation. My Honourable friend the Mover said that if only the Minister would put his heart into the business, he should be able to set the position right within the next few months. I wish I could. The only thing that I can say in reply to a challenge of that kind is to make him a sporting offer. Let him take my place. I have no particular motive for being here except to see that some little service is done and some improvement effected.

Dr. P. S. Deshmukh (C. P. and Berar: General): I am prepared to help the Honourable Member without taking his place, if he is prepared to hear what I have to say.

The Honourable Dr. John Matthai: The real point is this. We have placed as many orders as we are in a position to get carried out. The fabricating and manufacturing capacity of our country is extremely limited; we are putting the greatest pressure possible on the capacity available in our own workshops and using to the utmost extent possible all the fabricating and manufacturing capacity that we can utilise for this purpose in the country outside the Railway organisation. What more can we do?

If we are in a position, in the course of the next two or three years, to get all these coaches which are now on order to be put into service. I suggest that from the angle of transport capacity we shall have made some little difference; but that is not the sole question. The question, also, is the amount of passenger traffic that we have to deal with. I have been talking a great deal since I introduced the Budget, about ticketless travel and I do not want to say anything more about it. But I think this question of unauthorised travel has got to be dealt with if you want to make a difference to the quantum of traffic that the railways can conveniently carry with reference to their existing capacity. The House knows my views about it and what I propose to do with regard to it. When there is a question of adjusting the supply factor to the demand factor in a matter of this kind, under a free economy the only way in which you can

adjust it is by leaving it to the operation of the price mechanism. That is to say, if the supply of transport is limited, you put up the price of transport, until at last supply and demand begin to equate themselves. We cannot do it in this case because we are running a public utility service in which the extent to which we can increase fares is limited by consideration of public interest. Therefore that course is not open to me.

There is only one other course which is open for dealing with excessive traffic, and that is to have a system of physical control. Opinion in this country seems to be against controls. Besides putting a control on passenger traffic is administratively not workable. Therefore, if the price mechanism is not open to me, if direct control is not open to me, what is one to do with regard to equating the relation between demand and supply of transport? That really is the practical issue.

There is one point which my Honourable friend Dr. Pattabhi made, which I think is a point of great importance. If it was possible for the Railway staff to treat people who are travelling under these difficult conditions with a little more consideration and patience we could improve the position. It is a point that has been borne in upon me ever since I took charge of the Railways. After all these people whom we are complaining about—our Railway staff—are our own countrymen; they have grown up under an entirely different system so far, and if they are not able to adapt themselves to new conditions as quickly as we would like, the fault is not entirely theirs. I have seen a good deal of the Railway staff; we have in our Railway organisation people who with proper training, and with proper direction, would I think be fully equal to their tasks. I have great confidence in my Railway staff.

Prof. N. G. Ranga (Madras: General): Yes, that training is necessary; it has got to be given.

The Honourable Dr. John Matthal: I entirely agree. There is the question of training to which I have given a certain amount of thought and I hope I shall be able to put my ideas into concrete shape. I do think that we might look for a perceptible improvement in the situation if we could get a corps of railway servants travelling on our trains in the capacity of social service workers—men and women whom we pay, but so selected that they would bring to bear upon this problem the mentality of social workers rather than of bureaucrat employees. That proposal I know is easily made but to get the kind of people that you want for that work is not an easy matter, but I am prepared to give thought to it.

Sir, I do not think I have anything more to say, but I do wish the House would bear in mind that this problem of overcrowding and all the connected problems relating to conditions of third class travel are matters in which I am deeply interested and whatever is practically possible I certainly will do.

The Assembly then adjourned for Lunch till Thirty-five Minutes Past Two of the Clock.

The Assembly re-assembled after Lunch at Thirty-five minutes past Two of the Clock, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the chair.

Mr. Speaker: There is another cut-motion by Pandit Thakur Das Bhargava to Demand No. 1.

Shri K. Santhanam (Madras: General): According to the understanding reached this morning, this is not to be moved, Sir.

Mr. Speaker: There is some confusion. There are two cut motions in respect of Demand No. 1. One of them by Shri Punjabrao Deshmukh has been disposed of

Shri K. Santhanam: No, Sir. It has not been disposed of. It has not been put to the House.

An Honourable Member: He may like to withdraw it, Sir.

Dr. P. S. Deshmukh: Yes, Sir. I beg leave of the House to withdraw my cut motion.

Mr. Speaker: Has the Honourable Member leave of the House to withdraw his cut motion?

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

DEMAND NO. 4—ORDINARY WORKING EXPENSES—ADMINISTRATION

The Honourable Dr. John Matthai: I beg to move:

"That a sum not exceeding Rs. 13,60,93,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August 1947 to 31st March 1948, in respect of 'Ordinary Working Expenses—Administration'."

Mr. Speaker: Motion moved:

"That a sum not exceeding Rs. 13,60,93,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August 1947 to 31st March 1948, in respect of 'Ordinary Working Expenses—Administration'."

Question of Economy, Efficiency and Corruption

Fandit Govind Malaviya (U.P. : General): Sir, I beg to move:

"That the demand under the head 'Ordinary Working Expenses—Administration', be reduced by Re. 1."

Sir, the Honourable the Railway Minister has presented to us an interim Budget, which contains naturally not very much of policies or programmes and which is more or less a formality only meant to cover the period up to 31st March. Yet, Sir, it is a Budget which is of vital importance for this country, for the reason that the situation in the country today hinges almost entirely upon the question of transport. Whether you look at the difficulties pervading one aspect or another aspect of life, you come finally to one and only one difficulty, the difficulty about transport. The Railway Minister has made a very lucid and masterly survey of the difficulties with which the Railways have been faced. We have every sympathy with him and we appreciate those difficulties fully. But, Sir, the Railway Minister has not been able, in his Budget, to tell us of any important or major step which is going to be taken to enforce economy. The situation appears to be very grave. The working expenses of the Railways are mounting up and the Minister's speech did not indicate to us any hope that they will not continue to do so hereafter. At the same time, the income of the Railways is not likely to increase very much. We may go on resorting to the obvious and easy—but I must say the undesirable—method of increasing fares and freights, but that cannot go on very long and it cannot meet the situation, as is obvious from the fact that last year the Government did increase the fares and still we are left with a huge deficit for which the reserve has to be tapped. This touching of the reserve is a dangerous thing with the present structure of the Railways. If I am not mistaken, even in the pre-war days, the Wedgwood Committee had suggested a reserve of Rs. 50 crores. If anything, we ought today to raise it to at least Rs. 200 crores. On the contrary, we shall have a paltry reserve of Rs. 4 crores. It is a dangerous thing to do so, but that was not the point that I wished to make. What I wish to submit is that there is a limit to the help we can get from the increase in fares. That problem is one which I should have liked to deal with, but in view of the time limit, I will leave it to my other Honourable Colleagues to do so.

I will, Sir, come to the requirements of economy, because, obviously, if expenses are increasing, if our income cannot be augmented; the only thing to make this great national concern solvent and successful is to cut down the expenses that we are now incurring. There is no other way and I submit that unless we lift ourselves out of the time-old ruts of the officialdom of the Railway Department, unless we take courage in our hands and boldly adopt new methods and new policies, howsoever revolutionary and unorthodox they might be, I am afraid, Sir, there is no getting out of the crisis in which we seem to be placed today.

I, Sir, would urge therefore upon the consideration of the Honourable the Railway Minister, as indeed of the whole Government, the utmost urgency of seriously and realistically tackling the problem of cutting down costs and expenditure. Let them appoint a retrenchment Committee; let them have an Economy Research Section—I do not know if the Research Sections, which the Pope Inquiry had suggested and which the Wedgwood Committee Report had supported; are functioning. If they are there, so much the better; let them be augmented; if they are not, let us seriously look upon the problem of research, research with a view to improvement, not only of efficiency, but research with a view to economy, with a view to the cutting down of expenses, with a view to the cheaper managing of our Railways, which, if I might say so, I hope I will not be misunderstood, are anything but solvent to-day. I urge that need, Sir, upon the Government and along with it, Sir, I beg to emphasize the need of re-grouping of the Railways to which the Honourable Minister referred in his speech. He referred, Sir, to the re-grouping of the three railways on our eastern borders. He did not refer, Sir, to the re-grouping of the railways on our western borders. It is a most important issue.

Sir, at present there are nine systems of railways in the country, over the administration cost of which alone, as this demand indicates, we are spending nearly 14 crores every year. Now, Sir, the Honourable the Railway Minister has laid down three conditions according to which the question of re-grouping should be considered. Sir, I submit that we should give the fullest consideration to those considerations, but Sir, we should give the supreme and overriding consideration to the question of economy, and, if economy would justify, if economy would demand, I would suggest that, if need be, all other considerations should be relegated to the background and everything should be done which might make it possible for us to run the Railways more cheaply and to carry on its administration at a lesser cost.

I submit, Sir, for the consideration of the Government that the nine separate Railway administrations in this country should be grouped into three administrations only. It might appear fantastic to the hard railway experts that I should make that proposal, but there is absolutely nothing impracticable about it, besides, difficult circumstances require extraordinary remedies. I suggest these three systems. We could amalgamate the G.I.P. and the B.B.C.I. Railways on the one hand; we could amalgamate the Madras and Southern Mahratta Railway and the South Indian Railway and the B.N.R. into one group; and we could group up all the five Railways in the north of India right from Amritsar to our borders in Assam, and thus we could have three systems which would make a great deal of saving. Sir, it will be said that these might become unwieldy. I will submit that the Wedgwood Report itself recommended that the Southern Mahratta and the South Indian Railways should be grouped together, even though they gave specious arguments against the re-grouping of Railways as a whole. One can understand that because, in those days the more the administrations of Railways in this country, the bigger were the number of big offices which could be doled out to the Europeans and Englishmen coming

[Pandit Govind Malaviya]

out from their country. Those days luckily are gone. Even they had suggested it. It may be argued that the re-grouping of the Railways in this manner may make them unwieldy. I submit, Sir, it would not be so. Even in the past the North Western Railway had a mileage of 7,000 miles which it was administering. Under my proposal, Sir, the B.B. & C.I. and the G.I.P. Railways will only be 7,069 miles, very much like 7,000. There would be no difference. And the M.S.M. and South Indian and the B.N.R., all the three together would have only 9,000 miles; while all the five systems in the North together would not come to more than 10,000 miles. If that seems to be an impossibility, I would say, very well, instead of all the five northern systems being grouped into one, they might be grouped up into two. The Eastern Punjab, the East Indian and the Bengal Railways, all the Broad-gauge Sections should be amalgamated into one administration so that all these three Broad-gauge Railways can be combined into one and that, Sir, will give us only 6,176 miles, substantially less than the old total mileage of the North Western Railway. We could group the O.T. Railway and the Assam Railways—all Metre Gauge sections—into the second group which would give us only 4,137 miles. So Sir, we could have these four groups, and even the most conservative officers will admit we will have every Section of perfectly manageable dimensions, not much more than the old N.W. Railway. We can imagine Sir that if instead of the present nine systems, we have to run only four, obviously, the 14 crores which we have to spend today over them will be very substantially reduced. A saving of several crores of Rupees annually will not be a small thing, Sir, and I hope the Ministry of Railways will not fail to do the needful in this matter.

Sir, it may be said that it will involve a very long run to amalgamate these three Railways in the North. I submit, Sir, that it will not be so and not only that, actually it will lead to greater efficiency; it will lead to better working. The Wedgwood Report, Sir, said: "Too much time is lost in passing traffic forward from Division to Division and from one Railway system to another. Delays to through traffic from 8 to 16 hours at yards and exchange points are not regarded as abnormal." I submit, Sir, that if we could combine these administrations we will increase our efficiency. It will shorten our delays and will cut down the time and thereby it will help the present situation considerably. Then, Sir, there are other considerations in this matter. Sir, from the strategic point of view also one single Railway system running from one frontier to the other will be a very important and helpful factor. Sir I am fully satisfied that under the proposal I have made, all the three conditions laid down by the Honourable Minister will be fully met. But, Sir, to show how paramount is the need for such re-grouping, I would say that even if they are not, then for the sake of economy, this must be done. The Administrative Offices, Sir, should be located at central places, from where greater efficiency and still greater economy may be possible.

Besides this urgent need for economy and efficiency, Sir, corruption in the Railways is rampant today. For that purpose I would suggest an all out hard-lean programme. The turn-about which has been pointed out by the Honourable the Railway Minister as having gone down to 14 to 15 days per wagon as against 9 to 10 days per wagon during the pre war days, has a very grave reason behind it. A very high railway officer told a Minister that nearly 80 to 40 per cent. of wagons are being utilised unlawfully by dishonest and corrupt Railway officials to earn illegal income by supplying them to black-marketeters, without any record, without any entry into the books or registers at fantastic charges which are pocketed by these officials and that they do so by changing the numbers on these wagons and reporting them for the time as untraceable. If we could stop that, Sir, we could bring about a big difference. If we cannot still improve the transport requirements substantially, we must do something more.

We have got to deliver the goods. We have got to succeed. Let us take to new methods, if necessary. Let us confine our passenger traffic to two days a week and on these days run special duplicate trains composed, if need be, even of open wagons and run, if need be, even by goods locos, and thus complete the passenger traffic on those two days. On the remaining five days for the present, let us cancel all passenger trains and let us utilise the locos of passenger trains even, one or even more in each train as the load may require, and run hundreds of special goods trains on those days and run them at passenger speed if possible and take away the accumulated goods and ease the situation.

Then, Sir, there is the question of repairs and spare parts also.

Mr. Speaker: The Honourable Member has by now exceeded his time limit.

Pandit Govind Malaviya: I submit, Sir, that all these points should be taken into consideration by Government and the needful done.

Mr. Speaker: Cut motion moved:

"That the demand under the head 'Ordinary Working Expenses—Administration' be reduced by Re. 1."

I understand that the next motion on Demand No. 9 also covers some of the ground which this motion has covered.

Shri B. Das (Orissa: General): That is an economy cut.

Mr. Speaker: The question of economy is raised in the present motion also. Therefore instead of having a double discussion I think Demand No. 9 may be moved at this stage so that there may be a common discussion.

DEMAND NO. 9—ORDINARY WORKING EXPENCES—MISCELLANEOUS EXPENCES.

The Honourable Dr. John Matthai: Sir, I move:

"That a sum not exceeding Rs. 20,40,32,000, be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August 1947, to 31st March 1948, in respect of 'Ordinary Working Expenses—Miscellaneous Expenses'."

Mr. Speaker: Motion moved:

"That a sum not exceeding Rs. 20,40,32,000, be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August 1947 to 31st March 1948, in respect of 'Ordinary Working Expenses—Miscellaneous Expenses'."

Economy

Shri K. Santhanam: Sir, I beg to move:

"That the demand under the head 'Ordinary Working Expenses—Miscellaneous Expenses' be reduced by Rs. 1,00,00,000."

This is an economy cut. My Honourable friend Pandit Malaviya gave some general considerations about the need for economy. I want to take the House to a more detailed discussion of one single item. Sir, the gross traffic receipts of all Indian railways in 1938-39 was 100 crores and the working expenses were 54 crores. In order to reduce these figures to the figures comparable to the budget we have to make two adjustments; one is that we have to multiply it by 4/5 to exclude the expenditure over the Pakistan railways. And to reduce the figures further for these 7½ months you will have to multiply them by 5/8. These multiplications give us the beautifully simple figure of just one-half. Therefore for the comparable period of 1938-39 we have a revenue of 50 crores and an expenditure of 27 crores. The budget figures presented by the Honourable Minister are 107 crores for revenue and 107 crores for expenditure. I want the House to reflect on these two figures; the revenue has doubled while the expenditure has quadrupled. The Honourable Minister was very anxious to drive home to us a lag in the revenue owing to the fares and freights not being raised *pari passu* with the increase in prices. Of course he made out a strong case for

[Shri K. Santhanam]

that purpose. While the index figure of prices is near 300 our revenue has only doubled; but he has not stressed the other fact that the working expenses have gone far beyond whatever may be justified by the increase in prices. While the index figure is near 300 our working expenses have gone up four times. Therefore if the working expenses had increased only in proportion to the increase in prices the present expenditure would be 25 per cent less; and if you work out the figures this 25 per cent. is exactly the amount of taxation which he is levying. Therefore the increased taxation that he is levying is not to cover the increase in prices but to cover the inefficiency that has crept into the railway administration during these four years. This inefficiency has crept in in many ways; there is deterioration in equipment, there is lesser outturn per worker, and there are more workers for the same amount of work. In all these ways our expenditure has become so swollen that while it should be only three times the expenditure of 1938-39 if only prices had their operation, it is now four times.

3 P. M. Therefore I suggest to the Honourable Minister that economy is even more important than the raising of revenue, because unless he effects economy he will have to raise fares far beyond even what is justified by increase in prices.

Now, Sir, the people of India have paid actually whatever is necessary not so much by increase in fares and freights as by taking less accommodation. He has himself said that the railways have carried double the number of passengers with practically no increase in accommodation. That means that they paid double fares for the same accommodation and in this way they have already paid whatever is due. But on the other hand the expenditure has become disproportionately swollen. Sir, I want to illustrate my point by a more specific illustration. I should like the House to turn to pages 30-31 of the Demands for Grants. I have taken this head "Miscellaneous Expenses" not because it is an item under which the greatest economy is possible but for the very opposite reason; it is one of those heads where the items are ordinarily highly inelastic. For instance, you cannot change Contributions to Provident Funds or Gratuities or other items. Still what do we find under this head? The total budget estimate for 1947-48 as presented by the Honourable Minister in February last was roughly 25 crores; and according to the formula I have given it should be only 12½ crores under this item for this period of 7½ months. And we have got 21 crores; there is an excess of 8½ crores. In such an inelastic head this increase of 8½ crores is very serious. I have got figures for each one of these heads; I do not want to weary the House by giving too many figures. What I find on analysis is that this 8½ crores is accounted for by two items,—loss on grain shops and additional expenditure on account of the Central Pay Commission's recommendations. I leave out the second item (2½ crores) and then there is an increase of 6 crores due to loss on grain shops. That is, it should have been 8½ crores but it is actually 14½ crores. It may be imagined that prices of grains rose up and therefore this loss was incurred. But on further analysis this thing is wrong; because I find that out of these 6 crores 4½ crores are accounted for by (i) the East Indian Railway (3 crores) and (ii) the Bengal Nagpur Railway (1½ crores). So far as I know the foodgrains have been controlled all over India more or less on a uniform basis. Therefore there should be some special reason for an increase of three crores over the normal budgeted figure in the East Indian Railway and an increased loss of one and a half crores in the Bengal Nagpur Railway. I think there is a big loophole somewhere. I think a lot of grain must have been lost or something is wrong in accounting. This four and a half crores in one item is an expenditure for which some valid explanation should have been offered, but we find not a bit of explanation offered in the demand for grants or in the explanatory memorandum or in the budget speech. If there is a loophole to cause a loss of this four and a half crores, it must be explained. I do not say it cannot be explained, but I am not able to find an explanation. Therefore, I suggest to the Railway

Minister that he may begin his enquiries for economy on this one item. If he takes up this loss of grain shops and begin with the East Indian Railway and the Bengal Nagpur Railway, he will find that out of the 14½ crores he will be able to recover two or three crores. My own cut motion is for a cut of one crore. I think he should accept this cut and pursue this enquiry and tell us during the next budget debate what happened. I think it is only by pursuing these large items one by one and finding where the loopholes are that we can really effect economy in the Indian railways.

I have tried to analyse other items like these. I do not think I shall be justified in taking up the time of this House for such a purpose. If you take Repairs and Maintenance, I find that on the Bengal Nagpur Railway it is the same story; also in the East Indian Railway. In the East Indian Railway the total budgeted figure for the whole year was Rs. 7.8 crores, while you find that for the 7½ months it is 7.58 crores. If you look at the figures for the other railways they are not so bad, though in every railway, I find not only increased pay commission's allowances but all kinds of extraneous things have come in and swelled the figures. Therefore, these details must be given to us at the next budget time in the form of a tabular statement. You must take the standard figures for 1938-39 and give us the figures for 1948-49 and give a detailed explanation as to how the increase has happened, whether legitimate, and if not what steps are being taken to curtail them. I can realise the difficulties of our Railway Minister. I do not expect him to perform miracles. But he must set in motion the machinery and adopt the policy of reducing everything to a normal level. Unless he tells the railway bureaucracy that they have to cut down all superfluous expenditure which has grown up in all kinds of directions during these war years, without any effective control or audit, he cannot manage the railways at all and he could not get any proper appreciation or sanction from this House. It is to strengthen his hands that I have moved this motion. We are on his side and he is himself anxious. But a Minister between the bureaucracy and the Legislature is between the devil and the deep sea. If he joins us and takes our co-operation, he is certain to make the bureaucracy realize that hereafter it is the Legislature that is the master and not the bureaucracy. Therefore, I hope that this particular cut will be accepted and the particular line of enquiry which I have suggested will be started and I also hope that similar lines of enquiry will be started under every item, so that by the time the Railway Minister comes before us with the annual budget for 1948-49, he will have started at least enquiries and policies which would result in a great deal of economy and will raise the efficiency of the Indian railways at least to the level of 1938-39 in one or two years. I agree that level was not high. It was comparatively low and he is taking steps by sending persons to America and other places to give us a standard of American efficiency. Of course we should aim at that but today our aim should be to get back to the 1938-39 efficiency and we should do it in the next year or two. I wish him all success in that effort.

Mr. Speaker: Cut motion moved:

"That the demand under the head 'Ordinary Working Expenses—Miscellaneous Expenses' be reduced by Rs. 1,00,00,000."

Mr. Nasiruddin Ahmad (West Bengal: Muslim): Sir, I do not wish to take the time of this House in discussing matters of detail. I will only supplement some comments just now made in the House. I join with the previous speakers in their desire for economy. I request the Honourable Railway Minister to look into the matter carefully and effect as much retrenchment as possible. I should also request him to consider the technical matters raised by Mr. Santhanam. With regard to retrenchment, I do not think there is much scope in effecting pay-cuts in the lower services. We have had much bitter experience only recently in the railway strikes, and the Central Pay Commission's recommendations came in to save the situation. Quickly upon the heel of those recommendations

[Mr. Naziruddin Ahmad]

and their implementation by the Government, we should not try hastily to effect retrenchment in that direction. There is, however, I believe, some scope for retrenchment in the higher services. But there again the difficulty is that cuts in the higher services will not effect much financial saving. However, there is some scope there and the Honourable Minister would be pleased to do as much as possible without impairing efficiency or making the services discontented.

With regard to efficiency, I have one or two suggestions to make. I feel that the service is not really insolent to the public or foreign to a sense of discipline. But I feel on the contrary—it is my personal feeling—that they display much indolence and inattention to their duties. That seems to be more characteristic of the middle and lower class officers in the discharge of their duties. If anybody goes to a booking office, and asks for a ticket, he will find that the booking clerks are talking to one another—supremely unconcerned as to their duty towards the public. And then after repeated calls, he wakes up in a listless fashion and if he is asked a question, or if a suggestion is made to him he continues in a dreamy condition, replies as little as possible and does as little work as possible for the pay he gets. It has already been pointed out in the House that there is trouble about the getting back of change from some booking clerks. The time may be urgent; the passenger cannot wait; and the change is not often given.

Then there is the other head of corruption about which I wish to make one or two comments. The fact is that ticketless travel which has so far been so much of a menace in the railway administration, is largely the result of corruption among some railway officials. I shall cite to the Honourable Minister one or two typical examples. If anybody would care to travel in an inter or third class compartment or to have a peep into the working of the railway officials in those compartments, he will often find that a ticket examiner gets into the compartment at a wayside station and asks for tickets. It is found that many people have not got tickets. At once there is a thundering order that they should get down to be sent up for prosecution or pay the fare and so forth. Some of the passengers say that they have not got the fare. They are taken down to the platform and then it will be noticed that a conversation of a more intimate and affectionate character is now taking place between the passengers and the official. The passengers are taken away from the gaze of the persons who witnessed the preliminary stage. The ticketless passengers are then taken to another compartment or to a distant place and there the matter is satisfactorily adjusted of which however there would be no evidence in the railway books.

Then at the terminus stations or big junctions where tickets are supposed to be collected what is largely and openly done is that many persons who have no tickets adopt a well known course. There is a well established convention as to how things are managed. Any Honourable Member or official can privately find it out. At the Howrah station as also at other big railway stations the thing is managed so openly and systematically that it seems to be the accepted business principle on the subject. The man who has no ticket just hands to the ticket collector at the gate a one rupee or two rupee note in lieu of a ticket and without any argument or fuss the man is allowed to pass. I have referred to only two out of the many ways of corruption. I think this kind of corruption can be checked largely, though it cannot be rooted out altogether. It is ingrained in our nature. I submit that the Honourable Minister should appoint or cause to be appointed a few secret agents and ask them to pass as men travelling without tickets and go through the experience. Let them report to him or to some suitable officer. I think the experience which I have mentioned before the House will be borne out by facts. I think that if the idea gets abroad that there are officials or secret agents who are going about, then it will strike terror in the hearts of the wrong-doers and that would act as a deterrent.

The other kind of machinery which I think should be adopted would be to encourage complaints. Nowadays if there is a complaint, it takes years even to get a reply. The complainant never gets satisfaction from the ultimate reply. I should submit that complaints should be encouraged, they should be inquired into secretly, identity of the complainants should not be disclosed and the men reported against should be punished in a summary fashion on summary enquiry. If there is a large number of complaints about one particular station or a particular batch of staff or a particular officer, it is a sure indication that the batch or the individual official are or is corrupt. It is contrary to human experience that there would be a combination of men against any honest official. As soon as there is a dishonest official complaints grow. These complaints are very welcome in the postal department. The postal department makes very thorough enquiries into the complaints. The postal department is thus remarkably free from corruption. The railway department should take a leaf out of their books and adopt a similar system. I have made some concrete suggestions which I hope the Government will be pleased to take into consideration. With these few words I support the motion.

Prof. Shibban Lal Saksena (U. P.: General): Sir, before coming to my subject I would make a request to the Honourable Minister. Formerly this budget used to be discussed in two days in a lower House of one hundred elected members and in one day in the Council of State. Now the number of members has increased to 300, and there is only one chamber. The former Government was a bureaucratic Government, which did not care to have suggestions from the House. But the popular Government must enable every member to have his full say on the budget and give careful consideration to his suggestions. This is the prevailing practice in the Legislative Assemblies of the Provincial Governments since 1937. Members here are anxious to give their suggestions but they cannot find time even to speak out their mind. I would request the Government to give more time when the next budget is presented to the House for discussion.

I now come to my subject. I have been following very closely the debate since yesterday and I listened very attentively to the speech of the Honourable Minister. I have very carefully studied his speech and the budget. I can say that the Honourable Minister has delivered a very lucid speech giving a most simple exposition of a most complicated subject. But his is the speech of a great professor and not of a great statesman, and I cannot approve the measures he has suggested to meet the crisis. The biggest question that was raised in the debate yesterday was by my Honourable friend Mr. S. K. Patil, who said that on the successful and prosperous working of the railways hangs the fate of all nationalisation in this country but the manner in which it was answered by the Honourable Minister was not, I think, satisfactory. He said that we apply a very high standard in judging the administration of Railways, but we do not apply the same standard to the working of other industrial concerns like the textile industry. I would tell him that the textile industry is an industry run by capitalists for their own benefit whereas the railways are run by the Government not only for their own interest but in the interests of the people. I think we have a right to demand from the Government a full explanation of every thing done and a much higher standard of efficiency. I therefore hope that he will not mind even if I am a bit fierce in my criticism, and I trust he will take it in the spirit in which I make it. We as members here represent crores of people and if we tell him that this is not what the people expect from him I hope he will take it in the spirit in which it is said.

The Honourable Minister is demanding an increase in fares, which is always an unpopular thing. The present amenities to passengers, as the Honourable Minister himself has said, are far less than what they were even 20 years ago. I have here some figures. The prewar total gross earnings of Railways were

[Prof. Shibban Lal Saksena]

107 crores and in 1945-46, they rose to 243 crores, i.e., by about 127 per cent. But the train miles run in 1938-39 were 197 millions and they fell in 1945-46 to 190 million miles, so that the train miles were reduced by 4 per cent. whereas the revenue increased by 127 per cent. This means that for the same train mile or for the same distance every passenger had to pay $1\frac{1}{2}$ times more than he originally paid, so that after the war you are paying already $2\frac{1}{2}$ times the prewar fare. The number of passengers carried are also $2\frac{1}{2}$ times the prewar figure though the number of coaches on the line is less than that before the war. Thus the amount of fare is $2\frac{1}{2}$ times and the amount of space provided is $\frac{2}{5}$ th of the prewar space even if we assume that the present number of coaches on the line is equal to the prewar figure. So the real fare is about six times the previous cost. I do not think it is fair that he should say that further increase in travelling cost is justified.

I have very carefully analysed the figures and also the rates that prevailed before the war. The rates on the O. T. Railway were 2.6 for ordinary and express trains up to 50 miles, 2.3 up to 150 miles. After that it is 1.7 pies for ordinary trains for distances above 300 miles. A passenger going from Gorakhpur to Katihar has to pay Rs. 12 today whereas under the present recommendation he will have to pay Rs. 24. It will be impossible for me to defend that position of doubling the third class fare. The condition of trains on the O. T. Railway is very well known to the Honourable Minister. He himself said the other day that it is a headache to him. Can I go and tell people that the fares have been increased by this amount merely because our national government has come into existence? I cannot defend this increase in fares. I can say emphatically that I am absolutely opposed to all these increases.

Pandit Lakshmi Kanta Maitra (West Bengal: General): What about meeting expenditure resulting from the Pay Commission's Report?

Prof. Shibban Lal Saksena: My friend has suggested that the increase is necessary for implementing the recommendations of the Pay Commission. I have been in close touch with the Pay Commission from the very beginning. As a member of the Railwaymen's Federation I was one of those who took the initiative in 1946 when the General strike on the Railways was scheduled to take place on 27th June 1946 in trying to see that the strike did not take place. We were given assurances, but I am sorry to say that they have not been honoured. It has been said that the total additional expenditure, after implementing the Pay Commission's recommendations, will cost about Rs. 48 crores. But what is the net result? The net result is that 81,000 subordinates and 60,000 men in the workshops will be losing and their present pay will be reduced by amounts ranging between Rs. 5 and Rs. 100. Thus some 1,41,000 persons on the railways will get their salaries reduced to this extent. For instance, an Assistant Surgeon on the M. S. M. Railway who is now getting Rs. 300 will get hereafter only Rs. 220 because he was on the pre-1931 scale and now he will come back to the new scale and be given three increments, resulting in his pay being reduced from Rs. 300 to Rs. 220. That shows how the Pay Commission's recommendations have been implemented. Similarly a journeyman on the G. I. P. Railway who is now getting Rs. 150 will get Rs. 100 under the new arrangement. I can give many other instances but I do not wish to do so because there is not enough time for it. I would only say that these recommendations of the Pay Commission which are now being implemented will result in the decrease of pay of 1,41,000 persons, a large number of whom are workshopmen. Railway efficiency depends on the workshops more than on anything else. The Honourable Minister should there-

fore see that nobody loses in his emoluments as a result of the Pay Commission's recommendations and that everybody is given sufficient increment to make up for the increased cost of living. One of the arguments used for increase of fares is the rise in the cost of living whose present index number is 290. But in the case of these 1½ lac subordinates and workshopmen forming 18 per cent. of all Railway employees, the salary is reduced. That is something extraordinary.

Coming to the detailed proposals, the main item of expenditure which has been mentioned is the recommendations of the Pay Commission. The additional expenditure has been put at Rs. 48 crores in all. I am unable to find out how the figure has been arrived at. From my contact with the Federation from the beginning I know that the Secretary of the Federation has challenged the figures. At present at least 80 per cent. of the salaries on Railways have not been fixed. Therefore it is not possible actually to find out what the additional cost will be. Workshop salaries have not been fixed, for instance. I would therefore say that this item which is sought to be covered is really an item arrived at by conjecture. Since my Honourable friend Mr. Maitra has raised the question I want to say that he should not grudge to pay the labourer a living wage. I want that labour should remain contented.

I have been hearing in the House about complaints on the railways. I am myself very bitter about them. But I know how things happen. I have seen so many ticket examiners on the O. T. Railway. The maximum pay of this ticket examining staff on this railway is Rs. 60 after a service of 30 years beginning with Rs. 30. And they ask me, "Tell us whether we can live and maintain ourselves on Rs. 60 per month?" They reach Rs. 60 after about 30 years of service. It is absurd. The man might have got two sons to keep at school or college. By honest living he cannot keep them there. What happens therefore, is that when passengers go and ask for tickets, no tickets are given to them. They are told that tickets are short. The passengers are allowed to travel ticketless and the amount is pocketed by the railway ticket examiners. I know in the journey from Gorakhpur to Nantanwa which is a distance of about 50 miles, at least 50 per cent. of the passengers do not pay the fare, but the money is taken by the ticket examiners and is divided between themselves. The result is that you lose the revenue. I think the revenues will increase by much more than Rs. 8 crores if, instead of having police to arrest ticketless passengers, there are police to check this corrupt practice by the staff, and to chalan the guilty officials. But you cannot arrest or chalan them unless you give them at least a living wage. If you reduce their salaries by Rs. 100 and Rs. 50 and also want to prosecute them it is not fair. They should have a living wage. Then only can you be strict and demand honest work from them. I would say to Pandit Ma'tra also that he should not grudge to pay a living wage to the labourer. He runs your industry and he must be paid his full wages. Then you can expect him to be honest. Otherwise it is impossible to expect him to be honest. Give him a living wage and see that the recommendations of the Pay Commission are not applied in an irrational manner. Then you can expect full and honest work from him. With the new free spirit abroad I am sure the workers will do patriotic work as the Honourable Minister has said. As he said they have done wonderful work during the riots and partition days. Under great risk they have been able to carry on their work during those days. As Mr. Anthony said the other day they have been able to make up for the shortage of firemen and other staff by extraordinary adjustment among themselves. They can rise to the occasion and can probably do miracles. You must therefore give these heroic men at least a living wage. Then corruption can be stopped. I hope therefore that this part of the subject will receive the careful attention of the Honourable Minister.

[Prof. Shibban Lal Saksena]

Coming to the question of nationalisation, I think nationalisation cannot be judged by the past record of Railways. So far there had been no nationalisation and a foreign government was exploiting our railways. The amount earned by the railways was not spent in the best interests of the railways. I would suggest that it is only from now on that nationalisation has to be judged, whether it is good or not. I have with me the Reports of the Mackay Committee and the Acworth Committee. In fact we are working under the Acworth Committee recommendations. They had suggested that Railway Finance should be separated from the General Budget. It is at present so, of course. But the railways are contributing a sufficiently large amount to general revenues. You want to judge the advantages of Nationalisation by the progress made by the railways. If that is so, you must give them full liberty to devote their profits to their development and not ask them to contribute to the general revenues. They are themselves performing a national function. Therefore if you take away some money from them you will stunt their growth to that extent. Except interest on invested capital, no contribution to General Revenues should be demanded from them. In other countries also the railways have been allowed to develop and the revenue from them has been spent wholly on railways. Today there is only about 40,000 miles of railway in India as against 86,700 miles in 1920. After 25 years we have only an increase of 4,000 miles, i.e. by 10 per cent. though the capital cost has increased from Rs. 860 crores to 8000 crores, i.e., by 135 per cent. Of this mileage, too, some 7,000 miles has gone to Pakistan. The Mackay Committee had recommended that India needed at least one lac miles of Railways. The budget shows that our greatest need is the ability to produce Railway Engines and Wagons in our Workshops. If the Honourable Minister will put in a programme of starting capital work on new lines and starting shops which produce engines and the like, I am prepared to bear any increase in fares. But merely to meet the deficiencies which can be well met by economies in expenditure, we are not prepared to give a single pie. If there is a big programme of establishing big engine shops, having more coaches, having things manufactured here, so that in a sufficiently small period of time we may really have a great railway system, then I am prepared to bear any increase in fares. The Honourable Minister has said that it will take three years for normal railway conditions to return. Surely this is a confession of utter bankruptcy in statesmanship. In 12 years from 1920 onwards, Russia could by her five year plans become the greatest power in the world in 1941. Hitler made Germany the greatest power in the world in five years from 1934 to 1939. If we desire to rise to our full stature and to realise our destiny of being the greatest power in the world, then the same spirit of urgency must inspire us. Three years is an unconscionably long time for railways to return to their normal prewar condition. The spirit of Free India and its great destiny must inspire us, and our railways must soon become the pride of our nation.

Mr. Speaker: Before I call upon any Honourable Member to speak may I know as to what time should be fixed for the last cut motion to be taken?

Haji Abdus Sattar Haji Ishaq Seth (Madras: Muslim): Half past four.

Mr. Speaker: Then it will be taken at 4-30 instead of at 4-10.

Shri B. Das: Sir, I rise to support the economy cut moved by my friend Mr. Santhanam. Sir, I also support the points that have been raised by my friend Pandit Govind Malaviya regarding economy, efficiency and eradication of corruption. If I had my own way, I would have liked Mr. Santhanam's motion to have been for an economy cut of 10 crores and not 1 crore. Talking of 10 crores, I am reminded of the historic debate we had in 1944 when Sir

Edward Benthall wanted, just like my Honourable friend Dr. John Matthai, enhancement of railway rates and fares and wanted to keep 10 crores earmarked for the benefit of the third class passengers and for the comforts of the third class travelling public. Well, the House as it was constituted was wise enough to deduct 10 crores and the Benthalleian idea could not be realised.

Sir, I have been a little pained in hearing the debates in the last two days. There seems to be an exaltation. Although to me there is dawn of free India, there has been no nationalization and except for the Ministers nothing has been nationalized. It has been very painful for me to hear talk of nationalization of railways and to gloat over it!

Then, Sir, I would not have liked my very esteemed friend Dr. Matthai, a great scholar and a great economist, to follow the advice of his bureaucratic advisers in regard to Railways having provided "cheap service in spite of all-round rise in prices and wages" as long as it was possible for them to do. Why this self-complacency, this bravado? This advice which his advisers in the Railway Board gave him, he expounded a little more fully yesterday. I wish he had waited till the February Budget session, till circumstances had adjusted themselves and he had realised fully whether the railway concern is run as a national concern.

And talking of bureaucratic advisers, I am surprised that the Chief Commissioner and the Financial Commissioner included that political statement in the explanatory memorandum. It sounds a Benthalleian doctrine. We have become free only for the last three months. I cannot expect even if the Railway Board had been to a great extent Indianized, those gentlemen have become completely nationalistic in outlook. They are carrying on the tradition of the old railway bureaucrats, and what was their tradition? If we would not have been free today and if the old Government of India Act were to be working, there would have been a Statutory Railway Authority which would control all Indian railways and would have taken them away from the scope of criticism of the legislature. That was in contemplation. Thank God the British have quitted India and today we can control our railways.

Shri M. S. Aney (Deccan and Madras States Group): Are you better now?

Shri B. Das: My Honourable friend Mr. Aney has asked me 'Are we better?'. We will be better when the Honourable Minister of Railways reflects our hearts, our ideals, and is not guided by his bureaucratic advisers who were henchmen of the British Raj three months ago. Any European who had signed petitions, intrigued and represented that there should be Statutory Railway Authority in 1930-1931 must go out of India. Let us pay off compensations and pensions and let him go back, stock and barrel. If we want foreign experts, the English experts are no good. We must get them from America. Let us get them on contract basis. What has the Englishman done in controlling Indian railways? He has seen that the Indian railways have continuously fed the engineering industries in England. Hundreds of crores of rupees have gone to England and yet we cannot produce one locomotive, though we have been told during the last 20 or 25 years, after the Lee loot was conceded to the railway employees, that locomotives will be manufactured at Ajmer and other Railway Workshops. How can the English bureaucrats, and Railway bosses who placed orders with English factories in England and created and supported large British engineering industries do that? Sir, economy and efficiency will result when these fifth columnists go away from India; and my Honourable friend Dr. Matthai must understand, and appreciate the spirit with which I am speaking and with which we all are inspired today. They should not have fifth columnists in India to destroy the largest industry which my Honourable friend said is a nationalised concern. I hope I will live to congratulate him

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that he has nationalised Indian railways. Sir, it is a shame, it is our humiliation that we cannot produce railway appliances in India. For that the Railway Boards that were in existence before the 15th August 1947 were and are responsible. Until you get rid of these fifth columnists you cannot think of nationalising our railways.

Sir, I compliment my friend Mr. Frank Anthony for interpreting very courageously the maladies of our Railways. He represents in this House a large number of railway employees. The attitude of the railway employees has been "more and more pay and less and less work". I listened very attentively to my friend Professor Saxena. I cannot understand why labour must be pampered and feared. Sir, I condemn the attitude of the railway employees getting cheap grains as a special grace. Why should they be singled out among all the employees of the Government of India and among all the poor labourers all over India and the middle classes of India even? Why should they be pampered with Rs. 14 or 15 crores in subsidy? They are getting things which you and I do not get. They feed black market. They get very many things and this privilege was conceded out of fear of communism or socialism. We are now a free country. We should not be afraid of socialists or communists in borrowed dreams and the days when labour could paralyse the government by railway strikes are over. Those days are over. Those who borrowed such cheap phrases from Karl Max or Lenin are now trying to think in other ways and my Honourable friend Dr. Matthai will try and deal with these socialists or congressmen or communists in a different and new frame of mind.

An Honourable Member: Patriots.

Shri B. Das: My labour friends should be patriots first and then they should follow and imitate ideas from foreign countries.

Sir, my friend Mr. Santhanam analysed the various items of Demand No. 9 and said why it has been selected for this economic cut. Sir, I think the Railway Publicity Department should be completely abolished. It has brought more infamy to India in foreign countries in the past than any other activities of the old Railway Board that was there to propagate British rule in India. The expenditure under this head has been steadily going up. In the original Budget which my Honourable friend the Railway Minister introduced it was six lakhs; now the expenditure asked for is something to the tune of 6.80 lakhs for 7½ months. I think this an useless item of expenditure and a burden on the public when the railway carriages cannot provide convenience to the travelling public, when the Railways cannot carry goods from Bombay to Calcutta or to Cuttack for want of wagons. It is no use wasting money and giving them cheap rations and so many other benefits that fortunately or unfortunately the railway servants are entitled to.

Sir, why should there be a Health Department in the Railways? Better abolish it. The Railways were company-managed; they were completely controlled by Britishers; they had British elements—British doctors and others—in all these Railways. Now we are one; this is our own country. Why should not the Railway Companies take advantage of our own doctors that are working under the Provincial or the Central Government?

I will make a few other suggestions. Sir, I endorse the suggestion of Pundit Govind Malaviya that the amalgamation of certain Railways should immediately take place. There is no need for so many groups of Railways. In the past it was so because it was under the British tradition; several senior jobs like the Agents were the preserve of Europeans—many wanted to be Agents. But now the European is out of the whole job; now we do not want

too many satraps. Three or four should be the limit of General Managers and thereby lots of saving will result.

Then about economy in staff. The Honourable Minister need not be afraid of strikes by the Socialists or Communists. The railway employees who are surplus must be disbanded. What large numbers of staff had been working in war time? Do we require all of them? The Honourable Minister was controlling a very large business in India; I think at that time he had not got that partiality towards labour or towards any others; he functioned as an employer. I want him to behave, in the next Budget speech that he will introduce, as an employer; no useless labour should be retained in the Railway service. More labour means more expensive overheads, and I say, had I my own way, I would have opposed the enhancement of rates and taxes. Why this hurry? The Honourable Minister could have waited another three months; he could have seen the way his staff are responding under the new conditions of Free India. Are they responding? In the engineering shops of the Railways, his workmen are not working—they are non-co-operating; production has gone down—everybody admits that, the world knows that. Why should production go down? So I say it is no use paying higher allowances or keeping surplus labour. He has brought the enhancements before us and I am bound by my Party decisions; I have not tabled any motion to oppose the enhancement of rates. But why is he in this hurry? Let the Honourable Minister take stock of his House—the Railways fully under the Swaraj condition, not under the old bureaucratic condition. We have gone through the bureaucratic tradition and we must come under the National tradition.

With these few remarks, Sir, I support the motion moved by my Honourable friend Mr. Santhanam.

[At this stage Mr. Speaker vacated the Chair which was then occupied by Shri V. I. Munishwami Pillai (one of the panel of Chairmen.)]

Mr. Frank B. Anthony (C.P. and Berar: General): Mr. Chairman, Sir, as I listened to the debate, I felt that we have got into rather a vicious circle. From one side of the House, from the majority of the Members, we heard complaints of inefficiency, of corruption, of pampering labour. From one Member of this House the Honourable friend Mr. Saksena, we heard partially the point of view of labour.

I admit, Sir, that many of the complaints against the Railway staff are more than justified today. But this House has not heard even partially the point of view of Railway labour and between these two points of view, I do not envy the Honourable Minister in charge of Railways at all. I was a member of the Pay Commission; we recognised in common with most other people the need for scaling down salaries in the upper reaches. By and large we accepted the principle that salaries up to a maximum of between Rs. 850 and 1,000 should not be materially affected. Apart from that we did scale down the upper limits of the senior cadre; we also scaled down the administrative posts' salaries—both the junior and the senior administrative posts. For instance, where a General Manager now gets about Rs. 8,500, under our recommendations he will get about Rs. 2,250. Where a Member of the Railway Board now gets about Rs. 4,000, under the recommendation of the Pay Commission he will get about Rs. 2,500. On the other hand, Sir, the Pay Commission deliberately upgraded scales in the lower wage brackets. We had to do that. Any body with any sense of social justice had to apply itself to raising what we regarded as a starvation level of scales, particularly in a concern so important as the Railways. We have definitely upgraded those in the lower wage brackets. The difficulty is that the bulk of

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the railway employees are in the lower wage brackets and consequently the bulk of the increase in these wages will go to the people in the lower wage brackets.

An Honourable Member: Nobody objects to that, but what about the additional facilities?

Mr. Frank R. Anthony: I do not doubt, Sir, that there are many items on which the Government can and should retrench. My Honourable friend Mr. Santhanam has indicated certain items. I have no doubt that certain retrenchments are overdue and can be made, but by and large the bulk of the increase that has been envisaged is involved in the increase of wages to people in the lower wage brackets. I say this: that the Government is committed to implementing the scales as recommended by the Pay Commission. I go further and say—not about pampering labour—but the conditions ought to be accepted as they are, and if the recommendations of the Pay Commission as they apply to the employees in the lower wage brackets are not implemented, the whole Railway system will immediately be caught up in a wide-spread and paralysing strike. But I do say this to the Honourable Minister of Transport, that he should make it known much more widely to the "inferior" staff—the people who are now known as the Class IV employees—that the Commission has dealt not only fairly but has dealt liberally with them. Wherever I went recently—and I did a very extensive tour—I got this one complaint that the Pay Commission scales which my friend there regarded as ultra generous, are regarded by the railway employee, particularly the "inferior" staff, as niggardly. He feels that the Pay Commission has let the people in the lower wage brackets down. The average member in the Class IV cadre feels that we have dealt with them in a niggardly, shabby and unfair way. This is very necessary to counteract. The only explaining that is being done is being done by irresponsible elements who have got a hold and are getting an increasing hold on the bulk of the Railway labour who tell them that the Pay Commission has not dealt with them fairly. Yesterday, Sir, I dealt with this question of increasingly low output on the Railways. I agree entirely with the contention made by many of my friends that there is inefficiency in the Railway, that this inefficiency is increasing. As a matter of fact I am alarmed by it. I mentioned yesterday in my speech that an expert had assessed that in one of the largest workshops in this country, the average output of an "inferior" worker is two man-hours a day. My Honourable friend the Minister of Transport—who unfortunately is not listening to me now—did not make any comment on this yesterday.

I thought it was a very vital matter, this definite acceptance by the Railway official that efficiency is rapidly on the decline, particularly among the inferior staff and that the average output in the most important railway centres today of an inferior class worker is two man-hours per day. No answer to this was given. No comment was made. As I see it, it is a chronic condition. It is due mainly to one thing. I say it unequivocally and without qualification. It is due to dissatisfaction, increasing dissatisfaction. Indeed, there is more dissatisfaction among the railway employees today than there is in any other Department of Government that I know of. As I said, there are two main reasons. One is the gulf between the railway officials and the railway subordinates. The railway official has very little contact with and no understanding of the employee. In the old days, under the old bureaucratic regime, he ruled by fear. That fear has disappeared today and he has no weapon with which to substitute it. The other reason is the sense of frustration on the part of the railway employee. The average railway employee today is suffering acutely from it. He feels that he has no security of service. He feels that justice and fairplay are things which he cannot expect from the present Railway Administration and I say this—I say it with regret—that in spite of a change-over in the Administration, I myself can see no perceptible signs of any

change in the spirit of railway officialdom. The railway employee today does not know when he will be condemned, when he will be removed or dismissed from service, but he does know that however unfair a punishment may be, he has one chance in a million of having his grievance redressed. There is no right of appeal. Whatever right there is, it is illusory. The appeal provisions are farcical and that is one of the main reasons why we have this dissatisfaction among the railway employees today. They feel that their needs and their legitimate grievances have no chance of being met by the Railway Administration. When Sir Edward Benthall was in charge of this portfolio, I used to protest vigorously and repeatedly against this unresponsive attitude of railway officials. I am repeating that today. Probably, it is no fault of the railway officials that they have been reared in the old traditions of the bureaucracy and whatever protests I may make, whatever suggestions I may make, they will perhaps be treated with the same superciliousness, the same lack of consideration which their European predecessors used to treat them with. I am not blaming the Honourable Minister for Transport at all. He is getting all his information, all his knowledge of railway conditions, from officials who are not in touch with the men. I say to him he does not really know what the men are feeling and thinking today. I am in touch with more than 80 railway centres, large and small, important and unimportant. I get thousands of appeals and representations and I know what is the feeling of the men. So unresponsive is your officialdom today that I find even the sober and stable elements

4 P.M. among the railwaymen are being weaned away from their traditions of loyalty and service. They are being stampeded into organisations which will call a strike as soon as it suits them. And I give this House an assurance that unless some firm action is taken by the Minister of Transport, that unless he is prepared to ride roughshod over his die-hard Railway Board Members—be they Indian or anybody else—that unless he is prepared to put aside his officials who have been reared in this wrong psychology, that unless he is prepared to come down and meet the men and get to know their real needs and grievances,—that unless he does these things I give this House an assurance that whatever you may do, within six months, if you carry on in this way, the Railway Administration will be caught up in a gigantic paralysis. There will be nothing which you can do about it. Even today, if a strike is called, not 50, not 60 but 99 per cent. of the men, whether members of the Unions or not, will go on strike. (*An Honourable Member*: So it is a warning".) They are all united on one point, in their general dissatisfaction with and detestation of the railway officials and the spirit of bureaucracy which is continuing. That is what I find today.

But the men are not unresponsive. They are amenable to reason. I have talked to them. I have seen them in their hundreds and thousands. I know their feelings. It is not so much an increase in wages which they want today. They want an increase in understanding. I asked the Honourable Minister to appoint an ex-Judge of the Federal Court, an ex-Judge of the High Court. I got no reply. I do not know why the Railway officials should balk at this suggestion. What prevents the Railway Administration from appointing a high judicial personage to deal with appeals. This is one of the main sources of discontent today. The men feel that they have grievances which have no chance of being redressed. Whatever decision is taken by the railway official, that is endorsed by the Railway Administration right up to the Honourable Minister in charge of Railways as a matter of form. Not only is it endorsed, but the whole Administration today is based on the same old principle: "Our officers, right or wrong". Three weeks ago, I was discussing the matter with a General Manager. He confessed to me that he always works on this principle: "My officers, right or wrong." I say this is what is wrong with your system. I beg of the Railway Minister to refuse to accept this principle and apply himself to this matter. The men are not entirely unresponsive. They do not merely want an increase of wages, so much as they do an increase in understanding.

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Finally, Sir, my Honourable friend Mr. Saksena mentioned that under the Pay Commission's recommendations, 81,000 people would have their salaries cut. I was a member of that Commission and I can say that it was never the intention of the Pay Commission that anyone should have his salary cut under these recommendations. It was our intention that everybody more or less up to Rs. 850 should have their salaries upgraded. I am certain that it was never an intention that people who are drawing less than that should also have their salaries cut. I state that, and I state that as one of the members of the Pay Commission—I do not want it to be felt that I, as one who lent myself to the suggestion that even men in the lower wage brackets should, under our recommendations, have their salaries cut.

In conclusion, Sir, I repeat to my Honourable friend my appeal for more understanding. I ask him not to resent what I have said. What I have said, I have said in a spirit of constructive criticism. There is much scope today for harnessing the goodwill of the inferior employee. And if my Honourable friend, the Railway Minister, will discard the advice of his railway officials where he should, and he will make, through the necessary channels, greater contact with the employees in the lower wage brackets, I feel certain that the Railways will re-capture the efficiency for which they once had a very proud tradition.

The Honourable Dr. John Matthai: Sir, in the various debates that have taken place on the Demands, this last debate that we have had, if I may say so respectfully, has been the most profitable and the most illuminating. I should like straightaway, Sir, in view of the limited time allotted to me, to get down to brass tacks. One of the most important points which has been made in the course of the debate, I think by my Honourable friend, Mr. Santhanam, is that we have an increase in the working expenses which is more than proportionate to the increase in the level of prices. It is a perfectly legitimate point to make, and if I may say so, that constitutes in a nutshell our problem on the Railways. What has happened is this: That while we have increased our expenditure on staff and labour and on various other things, we have not been able to get in return for our expenditure a proportionate output. Now that is the whole point, the whole problem with which we are faced. Why is it that we cannot get a better output of services from our staff? My Honourable friend Mr. Anthony, in a tone of righteous indignation, has told me that we are not likely to get an increase in the output of work done by our staff unless we fundamentally change our whole relationship to them. I am aware of the importance of that point. But when you try to look at it in a practical way the problem is not quite so simple as my Honourable friend makes out. Here am I at the head of this great Railway Organization with more than a million people engaged in it. My Honourable friend, does not surely expect me to get into personal touch with every one of these employees! The only way in which I can get into touch with the labour who are working for our Railways is by working through the organised Labour Associations. One of the most important things that I have in mind—and it is an idea that has been present in my mind for some time is that there ought to be better, more effective, more continuous contact between the Railway management and the Railwaymen's Federation and as I said in my Budget Speech, I have already started discussions with the Committee of the All India Railwaymen's Federation, so that we might be able to come to some arrangement on the basis of which not merely personal contacts could be established but labour know what exactly is the point of view of the Management; the Management could know what exactly is the point of view of labour, and so there might be introduced into our Organization a better co-operative spirit. That is the only basis on which I can proceed as far as this question of labour relationship is con-

cerned. It is not possible for me in view of my commitments, and the fact that there are only 24 hours in the day to fulfil them, to go round the whole country and establish personal contacts, individual contacts with our workers. In fact it is, I think, an unsound thing for the head of the Railway Administration to contact individual persons in labour except through the organisation which has been set up by labour itself; otherwise you introduce into your labour organization a disruptive element which will react adversely both on the management and on labour.

My Honourable friend, Mr. Anthony has dilated at great length on the sense of injustice and hardship experienced by our Railway staff. I am sorry he thinks so. I am aware there have been cases where injustice has been done and hardships have been inflicted and I will do everything in my power to see that injustices are rectified and that hardships are eliminated. But there is one thing to which he did not give any attention and that is a question which is very closely bound up with this problem of output, and that is that the sense of discipline among the staff and among labour, has greatly weakened in recent years. I am not one who for a moment would suggest enforcing discipline which would involve injustice. Discipline should be enforced firmly, but discipline should be enforced with a proper sense of justice and fairness. Therefore, while I am asking for a higher degree of discipline and for measures required for raising the standard of discipline, I propose to do it on a basis of understanding with the organised Associations of labour. My Honourable friend said there is no opportunity for appeal. My idea is that in a business organization like the Railways, if you are going to offer an unlimited latitude for appeals, you will never get on with your job. One of the troubles I think that the Railway Organization is faced with is the undue facilities for appeal, which a Government Organization offers. Our Railway Organization therefore is neither a properly organised Government Department nor a properly organised business concern. We are neither the one nor the other. I personally think while it is of the utmost importance that our staff, our labour as a whole, should feel that they will at every moment get a fair deal from us, I think at the same time it is most important that they should recognise that a proper standard of discipline should be maintained.

My Honourable friend, Mr. Santhanam, put a problem to me. He asked me, as an illustration of the lack of attention that we pay to details of finance, "Why is it on certain Railway Administrations our expenditure on grain shops is far more than on others?" I should like to tell him, without going into details, that the object for which our grain shops work is partly for securing a regular, continuous supply of essential commodities and partly also that these supplies should be made available at lower prices than in the open market. It happens that certain Railway Administrations think it necessary to make these grain shop organisation a means of providing their labour with as many of the essential commodities they require as possible. The larger the number of commodities that you sell through your grain shop, the greater the expenditure that you incur. If the East Indian Railway thought—and they may have had important reasons for doing so—that they ought to make their grain shop organisation a means of providing a wider range of essential commodities you cannot altogether blame them for it. As a matter of fact, one of the demands that the Railwaymen's Federation have made over and over again is: "If you are going to have these grain shops, make them really effective and really useful—" a demand with which I have a great deal of sympathy—and as far as I am concerned, I am going to see that while we have this grain shop organisation it is an organisation which will provide as far as possible for the men and their families all really essential commodities.

Shri Mohan Lal Saxena (U.P. : General): Is it not a fact that when the Honourable Minister was Chairman of the Public Accounts Committee the

[Shri Mohan Lal Saksena]

Committee unanimously recommended that these cheap grain shops should go and instead of that cash allowances should be given?

The Honourable Dr. John Matthai: Well, Sir, I was then in a different position. This matter I am prepared to put before the Standing Finance Committee and I am certain in the circumstances which prevail now, I should be able to carry the Standing Finance Committee with me. I am prepared to explain the position when the time comes.

There is another point to which I should like to refer with regard to this question that my Honourable friend, Mr. Santhanam raised. The level of prices, that is to say, the cost of living index does not operate at uniform levels throughout the country. In the Calcutta area and the surrounding areas you will find a higher cost of living index than in most other parts of the country.

Yesterday I was speaking of the possibilities of economy in the course of my reply to the general debate, and I pointed out that as far as matters like staff and coal are concerned the margin that I have for economy is not very considerable. But I am quite prepared to look into that question and in the light of criticisms made by Honourable Members I am prepared to have that matter examined again. But the House will remember that last year in connection with our negotiations with railway labour we decided to set up a High-power railway inquiry committee. Unfortunately it has not been possible for that committee to complete its work. It is now in abeyance; but I am going to have it re-assembled at an early date, and I have no doubt that these questions will be gone into in detail by that committee. Whatever proposals it makes will be put before the Standing Finance Committee for Railways and I have no doubt some measure of economy will materialise from it. But as regards the particular cut that my Honourable friend has moved, with every intention in the world to effect economies in the working of the railways it is not possible for me between now and next March to do anything by way of radical economising of expenditure; it is not possible within this limited period. Therefore my difficulties are these. In view of the fact that on things like staff and coal the immediate prospect of economy is limited and the period that I have between now and the presentation of the next budget is very short, the possibility open to me of carrying out the recommendation contained in this motion is very restricted. But in view of the fact that the House has strong feelings on the subject of economy—and I understand it perfectly—and as a token of my earnest personal desire to carry out the wishes of the House in this matter and to implement its suggestions, I would propose to the Honourable Member who has moved this motion that if he would reduce the cut figure from one crore to 50 lakhs I would be prepared to accept it. Although I see at present no light as regards the possibility of effecting economy I would put this amount of compulsion on myself in response to the wishes of the House.

Shri Mohan Lal Saksena: Sir, with your permission I should like to move a small amendment to Mr. Santhanam's cut motion. I move:

"That in Mr. Santhanam's cut motion for the figures 1,00,00,000 the figures 50,00,000 be substituted."

Shri K. Santhanam: Sir, I accept the amendment.

The Honourable Dr. John Matthai: Sir, I accept it.

Mr. Chairman: The question is:

"That in Mr. Santhanam's cut motion for the figures 1,00,00,000 the figures 50,00,000 be substituted."

The motion was adopted.

Mr. Chairman: The question is:

"That the demand under the head 'Ordinary Working Expenses—Miscellaneous Expenses, be reduced by Rs. 50,00,000'."

The motion was adopted.

Mr. Chairman: The question is:

"That a reduced sum not exceeding Rs. 19,90,32,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August 1947 to 31st March 1948, in respect of 'Ordinary Working Expenses—Miscellaneous Expenses.'"

The motion was adopted.

Pandit Govind Malaviya: Sir, what about my cut motion? I heard nothing from Government member about it.

The Honourable Dr. John Matthai: Sir, both Mr. Santhanam's motion and the Honourable Member's motion relate to the question of economy and my reply was intended for both of them. It is the general question of economy on railways which is covered by both the motions.

Pandit Govind Malaviya: Sir, I beg leave of the House to withdraw my motion.

Mr. Chairman: Has the Honourable Member leave of the House to withdraw his cut motion?

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

DEMAND No. 15—CONSTRUCTION OF NEW LINES—CAPITAL AND DEPRECIATION FUND

The Honourable Dr. John Matthai: Sir, I move:

"That a sum not exceeding Rs. 1,23,73,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to 31st March 1948, in respect of 'Construction of New Lines—Capital and Depreciation Fund'."

Mr. Chairman: Motion moved:

"That a sum not exceeding Rs. 1,23,73,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to 31st March, 1948, in respect of 'Construction of New Lines—Capital and Depreciation Fund'."

Reconstruction of lines dismantled during war—Darwha Pusad Line.

Shri M. S. Aney: Sir, I Move:

"That the demand under the head 'Construction of New Lines—Capital and Depreciation Fund' be reduced by Rs. 100."

Yesterday, I discussed the question of restoring dismantled lines to some extent and a reply was given by the Honourable Minister. To save time I propose not to repeat the arguments I advanced yesterday. In the course of his reply the Honourable Minister stated that the question of restoration of lines which were dismantled as a war measure will be considered by him mainly on the ground of their being remunerative or otherwise. Now I ask him to consider the question from a broader point of view. I said yesterday that it was only fair to the people who have suffered during the war that the lines should be restored now. I also said that it was a kind of moral obligation on Government to restore them now that the war is over. Today I will give my third ground so that the Honourable Minister may have an opportunity of replying on that point. Sir, every one knows that every line that is constructed in this country is taken on hand only after a vote of this House is recorded. A certain procedure is gone through and certain plans and estimates are prepared. These are considered by various committees and ultimately the grant for the construction of that new line is put in a statement and it is this House which in the end passes it. So it is on the vote of this House that a new line is constructed. I therefore submit that what is done on the vote of this House can only be undone by the vote of this House and not by any one else. As a war measure it may be permissible for the Executive Government to dismantle some line

[Shri M. S. Aney]

but immediately the emergency is over, the Executive Government must come before the House either to justify what has been done or to restore whatever damage they were required to do resulting in inconvenience to the people in order that the people's sufferings may be ended. I want the Honourable Member to bear this point in mind. If this House has given its vote for the construction of these branch lines on certain considerations, and they are now destroyed, it is necessary for the Government in the ordinary course to restore them without any excuse. Of course if they have strong reasons they should come before the House and say that it is for these reasons we are unable to restore these lines. There are also other considerations. If the consideration of a remunerative character is the only criterion for taking up lines for destruction at the time of war, then the Kalka-Simla and the Darjeeling-Himalayan railways were the proper lines that should have been taken up. These lines were less remunerative than several other lines that they dilapidated during the course of the war. So those lines that were going to be of some convenience to a particular class of passengers were maintained although unremunerative, while lines which mainly catered to the convenience of ordinary people were dilapidated.

There is also one more point which the Honourable Minister should know. Some of these lines were mainly used by the pilgrims. There is the case of the Nimisar line. Before the protest could be heard by the House or the Honourable Minister, or before the Honourable Minister in charge of Railways could do anything, the railway authorities on instruction from the Defence Department had already dismantled the line and there was nothing for the Railway Board to do. Things were carried out before instructions for doing so were issued by the Railway Board. Under these circumstances there was not much time for the representatives of the people and the Honourable Minister in charge to consider the matter coolly.

One more consideration is this. Even as regards the remunerative character of the line, I would ask the Honourable Minister to consider that there was no time at all. The Defence Department addressed the Railway Board and the Railway Board circulated it to the various agencies and then within a few days replies were received and the process of destruction began. It was war time and things had to be done quickly and there was no question of going through the usual red-tape procedure. Even as regards the remunerative character, there are various factors which will have to be considered before a hurried judgment can be given on a point that a particular line is remunerative or not. I humbly request the Honourable Minister to note that on the question of the lines being remunerative or not, he should not go by the opinion that he receives from the Agent of a particular railway or some other authority. That is a question which he should be prepared to discuss with the Railway Finance Standing Committee, the Central Advisory Council and the deputation of the people which may like to wait upon him. I am personally prepared to discuss with him the question of the remunerative or otherwise character of some of these lines.

Having said this much, there is one more consideration I would like to invite his attention to. In the altered geographical condition of Dominion Frontiers, he must look upon these lines not merely in the old way. We have a frontier today not only on the north-west and to the east of the dominion, but it is very likely that you may have a frontier in the interior of the country itself also somewhere. This being the position the Honourable Minister must see whether some of these lines which have been dismantled are not necessary in order to have as a means of easy access to our own interior border lands, so that any State or tribe that may be hostile can be effectively checked from doing anything wrong.

Mr. Chairman: Will the Honourable Member resume his seat. It is now 4-30 of the Clock.

Shri M. S. Aney: Therefore these special features also should be borne in mind. With these words I beg to move the cut.

Mr. Chairman: Cut motion moved:

"That the demand under the head 'Construction of New Lines—Capital and Depreciation Fund' be reduced by Rs. 100."

As agreed upon this morning, we will take up Demand No. 1.

DEMAND NO. 1--RAILWAY BOARD.

More adequate provisions for safeguarding the Person and Property of Passengers.

Haji Abdus Sattar Haji Ishaq Seth: (Madras: Muslim): I am moving it. Sir, I move:

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

My object in moving this cut is to give my Honourable friend an opportunity to tell the House and the country the steps that he has taken and that are in force for the protection of the lives and property of the passengers. Generally speaking, the country is not aware of all that he has done in this respect. I am not going to dilate upon what has happened in the last three months. It is well known that life and property of passengers were unsafe for a considerable period of time on the railways, operating in northern India. There were a number of cases on almost all the trains working there. There were such cases in the G. I. P. line up to Jhansi and Bina. There were such cases on the B. B. and C. I. line, particularly on the meter gauge section, on the E. I. R. and probably on some other lines. I am sure, Sir, that my Honourable friend has done all that is possible for him under the circumstances to protect people but for a time all the measures that he might have taken proved of no avail. He can now tell the house what the position is at present. As far as I know, it appears that even today to travel by railway lines in these particular areas is not at all safe. This morning's papers reported a case of a woman being thrown out of a running train in the vicinity of Delhi near about Ghaziabad. That, Sir, envisages a position which is dangerous and which we cannot look upon with equanimity. I am sure certain measures have been taken. I wish he issued a statement to tell the country what he has been doing and what the present position is.

We in the South read in the papers that an experiment was tried in the U. P. of setting apart certain carriages and compartments in trains for passengers belonging to a particular community and having those carriages and compartments heavily guarded. I do not know whether that experiment has proved a success. I do not know officially. A friend of mine, and an esteemed Member of this House, told me that it has been working well, and if that is so may I suggest to him that this experiment should be extended to other parts of the country also. Then, Sir, there are cases of railway officials who have risked their lives in trying to protect some passengers. I have heard such stories. But in regard to that I have heard of no encouragement given for doing such services. I have heard of a Railway Officer who lost his life in trying to protect some passengers. I have not heard of what was done to help the family of that officer who lost his life, so that that would be an encouragement for others to follow in his footsteps. The same thing can be said of the military and the police who are sent along with these trains. Every thing should be done to encourage them so that they might even risk their lives to save the lives of passengers. My difficulty is that I am speaking without any knowledge of what my friend might have done and therefore he may be in a posi-

[Haji Abdus Sattar Haji Ishaq Seth]

tion to enlighten me and the House and remove some of our misunderstandings.

In the South on the M. S. M. Railway the section south of Bezwada is nowadays disturbed. It is necessary that this should be brought to the notice of my Honourable friend so that he might do whatever is possible. With this object in view I move this cut.

Mr. Chairman: Cut motion moved:

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

Mr. B. Pocker Sahib Bahadur (Madras: Muslim): Sir, in supporting this cut motion I would just like to bring home to the Government the great importance of the matter with reference to which this cut motion has been moved. Sir, you know that the elementary right of every citizen in this country is that his life and property are protected by the Government, whatever the Government might be. If any section of the people in this country feel that their life is not secure either while travelling or otherwise, I say that the Government is not worth its name, if it cannot secure and guarantee to the people the right to be protected, particularly in a railway journey. What has been happening during the last few weeks or months is well known. People who have been going in a railway carriage are not sure of their lives. They are not sure whether they will reach their destination. Innocent women and children and men have been slaughtered for no fault of theirs and that too in a very brutal manner. I do not want to dilate upon all this. Certainly it is the madness of some people that is responsible for it. I say the Government cannot take protection on the ground that it is the madness of those murderers that is responsible for it and therefore the Government is not to be blamed for it. I say the Government certainly has got a duty to discharge. If these people are mad they are mad only at the time of the killing but in all other respects they do not show any sign of insanity. I say it is the fundamental and elementary right of every citizen to be protected, his life and property to be protected whether he is in a railway train or otherwise. I do not know whether the Government has taken the matter sufficiently seriously so as to guarantee the lives of persons who are travelling by railway. I do not wish to dilate beyond this, because it is only a railway demand. So far as the railway is concerned when the passenger has paid his fare it is a contract to take him safely to his destination and if sufficient safeguards are not given for the protection of the lives of these passengers, whoever is the authority, they certainly have to bear the blame. I submit that if the answer is that such things are done elsewhere in another Dominion, my answer is certainly it is no defence at all. That makes the crime more heinous. If a heinous crime is committed by another dominion that certainly deserves to be condemned and doubly condemned but certainly that is not a justification for repeating such things here. If such a defence is advanced I say that makes the crime much more heinous than it otherwise would be. I submit that it is very necessary that in the interest not only of the fair name of this country but it would also do great harm to the civilization of this country and of the whole world if we allow such things to be done in this country, which has gained its independence only a short time ago. Just after achieving our independence if such things are allowed to be done I submit that we are doing a grave wrong not only to the people of this country as one of the nations of the world but we are doing a great deal of harm even to the progress of civilization of the world.

As to the measures to be taken for the protection of these people I dare say that the Government has not made sufficiently serious attempts. No doubt the members of the Constituent Assembly have been advised to travel by air and for our protection we are thankful that some guard is given to us. But so far

as railway journey is concerned it is still very unsafe. I do not know how far the experiment that is being tried in the U. P. is successful but for a long time to come, that is until we are out of this danger of being killed in running trains, it is the bounden duty of the Government to make sufficient arrangements to protect each and every passenger.

There is no doubt that the matter began with a communal colour but it is passing beyond that. As was stated by my Honourable friend you see in this morning's papers that a lady was killed in a train and thrown out by dacoits and other ladies were robbed of their jewels. Now what began as a communal technique of killing people in running trains has gained ground and that is being utilised by robbers to kill and rob other people also. Before this gets stronger ground, it is necessary that such things should be nipped in the bud with the strongest measures taken by the Government. I thought that the Government would have taken very strong measures as soon as they found that such things were happening but I am sorry to note that sufficiently strong measures were not taken. The Railway Minister might say that it is the concern of the Minister for Law and Order. I say it is not merely the concern of the Minister for Law and Order but it is also the concern of the railway authorities to see that passengers are sufficiently protected.

The Honourable Dr. John Matthai: Sir, I will reply briefly to the question that the Honourable the Mover and seconder have raised. As far as the railways are concerned before this period of civil disturbances began we depended entirely upon the railway police for protecting the life and property of our passengers. The railway police, as the House knows, consists of two sections. One is concerned with crime and the other is concerned with the maintenance of order. But since civil disturbances started about the middle of 1946 the railways have taken certain special steps in order to meet the problem. It has taken the form of the organisation of a special armed police force for the protection of railway traffic. The position at present is that in Bengal we have something between 1,200 and 1,500 police constables specially organised into this armed force. In Bihar there are 1,100, in the U.P. there are 1,250, in Orissa there are about 350 to 360. I believe Assam is going to have a force organised shortly. The basis on which we are doing it is this. The railways undertake the financial liability for the maintenance of this force but we depend on the provincial government for the recruitment, training and administration of the force. But the whole bill is met by the railways.

When these very serious disturbances started in the Punjab it was found necessary to organise something more than this and we called in the assistance of the army. During the worst period of the Punjab disturbances no train was allowed to move within the disturbed area except with the assistance of strong army escorts. During the two months, September and October, the strength of these armed escorts reached as high a figure as 65 men for a train of 13 or 14 coaches, generally armed with automatic weapons. That is as far as we have been able to go in the way of meeting this new situation: Although as the Honourable Member pointed out we still have attacks upon trains, the arrangements made by Government—both by the railways and by the army—have been to a substantial extent successful in meeting the new problem. I do not believe that we shall find a complete solution of the problem until the general atmosphere in the country has improved and the forces of law and order are generally strengthened in the country. It does not seem to me possible for the Railways to do anything more in the matter.

A certain experiment which is being tried in the United Provinces has been referred to. I would watch that as an experiment, because when you segregate people belonging to one particular community in this way on trains, however heavily you escort and protect that section in the train, it seems to me

[Dr. John Matthai]
it involves the danger of providing a target for those who have evil intentions. I would not try to adopt that system until I am satisfied that the experiment has worked satisfactorily.

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

I may say that the Railway Ministry has in mind also the organisation in the near future, if the Defence Ministry would agree, of a railway auxiliary force, something on the lines of the Territorial Force for the protection of railway property and the lives of railway officials. But that, I think, will take a little time to materialise. I think we have done what we possibly could be expected to do in this matter.

Dr. P. S. Deshmukh: Sir, the cut motion moved by Mr. Aney has not yet been disposed of. I want to have half a minute to speak on it. It has not been put to the House.

Mr. Speaker: The agreement was that at 4-30 of the Clock, whatever discussion was going on in the House must end and the other motion was to be taken up. Hence Mr. Aney's motion was left unfinished. The motion must be taken to have been talked out.

Dr. P. S. Deshmukh: Sir, before the budget speech we have got about ten minutes.

Mr. Speaker: I am sorry I cannot allow it.

Haji Abdus Sattar Haji Ishaq Seth: Sir, my cut motion was meant only for a discussion of the subject and a statement from the Honourable Minister in charge. Since my purpose has been served, I seek the leave of the House to withdraw my cut motion.

The cut motion was by leave of the Assembly withdrawn.

Dr. P. S. Deshmukh: Sir, the Honourable Member in charge has not replied to Mr. Aney's cut motion at all.

Mr. Speaker: That motion has been talked out, not in pursuance of any rules of the House but in pursuance of the agreement arrived at between the parties.

Now I would put the demands for grants collectively if the House has no objection.

Demand No. 9 is disposed of. All other Demands except Demand No. 9 are now put to the House together.

The question is:

"That the respective sums not exceeding the amounts shown in the third column of the Order Paper, except in case of head of Demand No. 9 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947, to the 31st March, 1948, in respect of the corresponding heads of Demands entered in the second column thereof."

The motion was adopted.

Mr. Speaker: That disposes of Demands for Grants. We will begin at 5 o'clock. The House, if it likes, may adjourn for five minutes and reassemble at 5 o'clock.

[As directed by the Honourable the Speaker, the motions for Demands for grants which were adopted by the Assembly are reproduced below.—*Ed. of D.*]

DEMAND NO. 1.—RAILWAY BOARD.

"That a sum not exceeding Rs. 20,80,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Railway Board.'"

DEMAND NO. 2.—AUDIT.

"That a sum not exceeding Rs. 12,02,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Audit'."

DEMAND NO. 3.—MISCELLANEOUS EXPENDITURE.

"That a sum not exceeding Rs. 44,23,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Miscellaneous Expenditure'."

DEMAND NO. 4.—WORKING EXPENSES—ADMINISTRATION.

"That a sum not exceeding Rs. 13,60,93,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Working Expenses—Administration'."

DEMAND NO. 5.—WORKING EXPENSES—REPAIRS AND MAINTENANCE.

"That a sum not exceeding Rs. 29,48,81,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Working Expenses—Repairs and Maintenance'."

DEMAND NO. 6.—WORKING EXPENSES—OPERATING STAFF.

"That a sum not exceeding Rs. 18,06,07,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Working Expenses—Operating Staff'."

DEMAND NO. 7.—WORKING EXPENSES—OPERATION (FUEL).

"That a sum not exceeding Rs. 13,61,34,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Working Expenses—Operation (Fuel)'."

DEMAND NO. 8.—WORKING EXPENSES—OPERATION OTHER THAN STAFF AND FUEL.

"That a sum not exceeding Rs. 4,44,95,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Working Expenses—Operation Other than Staff and Fuel'."

DEMAND NO. 10.—PAYMENTS TO INDIAN STATES AND COMPANIES.

"That a sum not exceeding Rs. 81,57,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Payments to Indian States and Companies'."

DEMAND NO. 11.—WORKING EXPENSES—APPROPRIATION TO DEPRECIATION FUND.

"That a sum not exceeding Rs. 6,81,51,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Working Expenses—Appropriation to Depreciation Fund'."

DEMAND NO. 14-A.—WITHDRAWAL FROM RESERVE.

"That a sum not exceeding Rs. 3,29,08,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Withdrawal from Reserve'."

DEMAND NO. 15.—CONSTRUCTION OF NEW LINES.

"That a sum not exceeding Rs. 1,23,73,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of 'Construction of New Lines'."

DEMAND NO. 16.—OPEN LINE WORKS—ADDITIONS.

" That a sum not exceeding Rs. 12,00,00,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of ' Open Line Works—Additions '."

DEMAND NO. 17.—OPEN LINE WORKS—REPLACEMENTS.

" That a sum not exceeding Rs. 16,00,00,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August, 1947 to the 31st March, 1948, in respect of ' Open Line Works—Replacements '."

DEMAND NO. 18.—CAPITAL OUTLAY ON VIZAGAPATAM PORT.

" That a sum not exceeding Rs. 14,15,000 be granted to the Governor General to defray the charges which will come in course of payment during the period 15th August 1947, to the 31st March 1948, in respect of ' Capital Outlay on Vizagapatam Port '."

The Assembly then adjourned till 5 in the Afternoon.

The Assembly re-assembled at 5 in the Afternoon, Mr. Speaker (The Honourable Mr. G. V. Mavalankar) in the Chair.

THE BUDGET FOR 15TH AUGUST, 1947 TO 31ST MARCH, 1948

The Honourable Shri E. K. Shanmukham Chetty: (Minister for Finance):

Sir, I rise to present the first Budget of a free and independent India. This occasion may well be considered an historic one and I count it a rare privilege that it has fallen to me to be the Finance Minister to present this Budget. While I am conscious of the honour that is implied in this position, I am even more conscious of the responsibilities that face the custodian of the finances of India at this critical juncture. I have no doubt that in the discharge of my responsibilities I may count on the sympathetic and wholehearted co-operation of every Honourable Member in this House.

2. It is not necessary to dwell at any length on the political developments which have led to the momentous changes that have taken place since the Budget for the current year was presented to the Legislative Assembly last February. The partition of the country has cut across its economic and cultural unity and the growth of centuries of common life to which all the communities have contributed. The long-term effects of the division of the country still remain to be assessed and we are too near the events to take a dispassionate view. When the ashes of controversy have died down, it will be for the future historian to judge the wisdom of the step and its consequences on the destiny of one-fifth of the human race. Whatever might be the immediate political justification of partition, its economic consequences must be fully appreciated if the two Dominions are to safeguard the interests of the ordinary man in both the new States. Regions which have functioned for centuries on a complementary basis have been suddenly cut asunder. To have had as a single economic unit a sub-continent peopled by a fifth of the human race meant by itself a great advantage for the teeming millions of its population—an advantage not fully realised, and perhaps not properly utilized while the unity was a fact. While it may be comparatively easy matter to make the necessary political

adjustments resulting from partition, it would require time, patience, goodwill and mutual understanding to effect the adjustments necessitated by the economic consequences of partition. Economically India and Pakistan have each points of advantages and disadvantages. In general, it may be said that, while India is much the stronger at present in industrial production and mineral resources, Pakistan has some advantage in agricultural resources, especially foodstuffs. But the complementary character of their economies is even deeper than is indicated by this generalisation. The compelling forces of economic necessity must create a friendly and co-operative spirit between the two Dominions and I trust that, when the present passions subside and normal conditions of life return, our people will work together to secure that, notwithstanding the political division, the economic life of the common man is not injured. So far as we are concerned, the Indian Union with its population of nearly 300 millions will be the second largest country in the world next to China. Our economy is more balanced than that of most countries and, in spite of the set-backs resulting from partition, our large natural resources and sound financial position will enable us to launch a vigorous economic plan for substantially raising the living standard of our people.

3. The Budget Statement that I am presenting today will cover a period of 7½ months from the 15th August 1947 to the 31st March 1948. I may briefly explain the circumstances in which it has been necessary to present a fresh Budget for this period. With the division of the country and the emergence of two independent Governments in place of the old Central Government, the Budget for the current year 1947-48 passed by the Legislature last March ceased to be operative. Although under the transitional provisions of the constitution, Government could authorize the expenditure necessary for the rest of the financial year, it was felt that it will be in accordance with the public wish that a Budget should be placed before the representatives of the people at the earliest possible moment. There is nothing spectacular about my statement and there will be no surprises associated with a Budget. I shall place before the House our estimate of revenue and expenditure for this period and I shall try to indicate in broad outlines the pattern of the economic life of the country and the problems that we will have to face in the immediate future.

Partition Arrangements

4. Before I proceed to deal with the estimates for the year, the House would doubtless wish to have a brief account of the broad details of the partition and its immediate financial and economic results. As soon as the decision to divide the country was taken, a Partition Council, consisting of the representatives of both the future Governments, was set up to implement the decision. A number of Expert Committees, on which both the future Governments were equally represented, were appointed under the aegis of the Partition Council to work out the administrative and other consequences of the partition. These Committees, some of which were assisted by a number of departmental sub-committees, dealt with all aspects of the problems arising out of the partition such as the transfer of staff and organisations, the division of assets and liabilities, the arrangements for the coinage and currency in the two Dominions, the trade and economic relations between them, the continuance of economic controls and so on. These Committees had to complete their work in a matter of four to six weeks and the House will appreciate that in the short time available to deal with these issues, some of which were of the utmost complexity and importance, it was not possible to reach an agreement on all matters before the 15th August 1947 when the two Dominions came into existence and took over the Government of their respective territories. A number of important points were accordingly left over for further consideration by the two Dominions and, in the absence of an agreement between them, for reference

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to an Arbitral Tribunal which has been set up. Among the important issues on which it has not been possible to reach an agreement, I may mention the allocation of debt between the two Dominions, the method of discharging the pensionary liability, the valuation of the Railways, the division of the assets of the Reserve Bank and the division of the movable stores held by the Army. Some of these issues are likely to go before the Arbitral Tribunal and the House will not expect me to say anything further about them at this stage. It was also found impossible to reconstitute the Armed Forces between the two Dominions and allocate the military stores, equipment and installations between them before the 15th August 1947. For the completion of this work, and for clothing, feeding and paying the Armed Forces till their reconstitution had been completed, a Joint Defence Council representing the two Dominions with an independent Chairman and with a Supreme Commander responsible to the Council, has been set up. This Council was originally expected to complete its work by the 1st of April 1948 but it is now hoped that this may be mostly achieved by the end of this month.

5. The long range fiscal, financial and economic relations between the two Dominions still remain to be considered, but for the rest of the current year the intention is to maintain, within the framework of the agreements arrived at, the *status quo* before the partition. For the present both the Dominions will continue the existing taxes and duties, there will be a free movement of trade between them without any internal barriers and the import and exchange controls of the two Dominions will be co-ordinated. It has also been agreed that till the end of September 1948 the two Dominions will remain under a common currency system managed by the Reserve Bank, although from the 1st April next Pakistan will have its own over-printed notes and coin. So far as revenue is concerned, each Dominion will ordinarily retain what it collects but in respect of income-tax on assessments for 1946-47 and earlier years and uncollected demands on the date of the partition an arrangement for sharing the receipts arising in both the Dominions has been arrived at. In the matter of the division of assets and liabilities, it has not been possible, as I have explained earlier, to reach an agreement on a number of important points including the allocation of debt and the discharge of the liability for pensions. But the responsibility for the outstanding liabilities of the old Government could not, for obvious reasons, be left vague and undetermined and the only practicable course was for one of the Dominions to accept the initial liability to the creditors and settle with the other the contribution to be made by it. The initial liability for the outstanding loans, guarantees and financial obligations of the late Central Government at the time of the partition and for the pensions chargeable to it has been placed by law on the Indian Dominion subject to an equitable contribution from Pakistan. I am sure the House will welcome this decision because in the interests of the credit of both the successor Governments it is obviously undesirable to leave those who had lent money to the previous Government or had earned pensions under it in any doubt as to the Government they should approach for their dues.

Review of economic conditions.

6. There has been a marked deterioration in the economic situation in the country since March last. The situation has been aggravated by the large scale disturbances which burst out suddenly, more specially in the Punjab and the North-West Frontier Province. Apart from the serious economic consequences arising out of these disturbances, the human misery that it has caused cannot be measured in terms of money. Thousands of innocent lives have been lost in the two Dominions and migration on a scale unprecedented in history has

taken place. The total number of people involved in this mass migration of population has reached colossal figures on either side giving rise to problems of great magnitude affecting the economy of the country. The immediate effect of these tragic developments has been to divert the attention of the Government almost completely from normal activities. There has been an almost total breakdown of the economy of the East and West Punjabs. While Government have done and are doing everything possible to relieve the immediate distress and suffering of the refugees, the formulation of long-range plans for their rehabilitation raises formidable issues both in the financial and administrative fields. These problems have imposed a heavy burden on the Central exchequer, the magnitude of which it is not possible to assess at present. The budget of the Central Government for the next few years will be materially affected by this unexpected development in the country. Our whole programme of post-war development will have to be reviewed in the light of this context.

7. The food position has continued to cause grave anxiety both to the Provincial Governments and the Central Government. The country has just weathered a serious threat of a breakdown of its rationing system. The results of the "Grow More Food Campaign" have been on the whole disappointing. During the three years 1944-45, 1945-46 and 1946-47 we had to import from abroad 43.80 lakhs of tons of foodgrains at a cost over 127 crores of rupees. During the current year from April to September we have already imported 10.62 lakhs of tons of foodgrains at a cost of over 42 crores of rupees. Apart from its being a constant source of anxiety, the reliance on the import of foodgrains from abroad of such magnitude imposes a heavy strain on the finances of the Government. In recent years our exchange difficulty is almost entirely due to the import of foodgrains on such a large scale. The meagre exchange resources available to us are consumed by the purchase of foodstuffs abroad with the result that we have to impose the most stringent restrictions on the import of many other essential articles. The various steps necessary for making the country self-sufficient in foodgrains must now claim the highest priority. The implementation of this policy must largely depend on the Provincial Governments though the Government of India has been and will always be prepared to afford all possible help in this direction. We have sent a mission to Australia for the purchase of the surplus wheat of that country and we are hoping that we might be in a position to get from Australia a substantial quantity of wheat during the next year. An expert committee under the Chairmanship of Sir Purushottamdas Thakurdas has been examining the food position in the country and the Committee has submitted an interim report which is receiving the attention of the Government.

8. The deterioration in the economic situation has been particularly noticed in respect of prices which have shown an unchecked upward tendency. Between the 5th April and the 9th August this year the Economic Adviser's index number of wholesale prices rose by 7 points while the Bombay cost of living index advanced by 14 points. Taking the Bombay cost of living index number, while it was 243 in August 1945 it rose to 267 in August 1946 and reached 284 in August 1947. The chief factor which has contributed to this development is the general decline in agricultural and industrial production in the country due partly to the wide prevalence of communal disorders and generally to the increasing industrial unrest. While the supply position has been deteriorating, increases in wages and salaries given by private employers and the Government had the effect of augmenting the purchasing power of the people and widening the gap between current money income and production of goods.

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The situation would not have been so bad if the unbalance between money and goods was confined to these factors only. The most disturbing factor which affects the situation today is the unspent balances of individuals and institutions accumulated during the peak years of inflation which are being spent on the deferred wants of individuals, repairs to industry and on the building of trade inventory. In other words, the money demand for goods is colossal compared to their local production. While the inflation in war time was due to the large increases in currency circulation (which rose from Rs. 172 crores in 1939 to over Rs. 1200 crores at the end of 1945) without any tangible increase in the supply of goods the present inflation is not due to further increase of currency but to a steady fall in the supply of goods. Although the total available money, whether currency or bank deposits, has slightly fallen it has spread out more among a wider circle of people in the form of wages and salaries and thus the actual purchasing power in the hands of those who spend it on ordinary goods has greatly increased. But the supply of goods has meanwhile fallen and has resulted in an upward trend of prices. To take only a few examples of the marked fall in internal production, it may be mentioned that as against a production of 4,000 million yards of mill-made cloth and 1,500 million yards of handloom cloth in 1945 the production this year is estimated at 8,900 million yards and 1,200 million yards respectively. The production of steel in the current year is also expected to show a drop of nearly 400,000 tons compared with the peak production of 1,200,000 tons during the war. The production of cement has also grown steadily worse, the estimated production this year showing a drop of 700,000 tons over the capacity of over 2½ million tons. In recent months the production of coal has shown some improvement, but so far as the consuming public is concerned, this has been more than neutralised by difficulties in transport resulting in large accumulation of coal at the pit heads. Transport and other difficulties explain the drop in production to some extent, but this is also partly due to labour unrest and strikes.

9. If the economy of this country is to be placed on a sound footing and maintained in a healthy conditions, it is of the utmost importance to increase internal production. The chances of increasing the supplies of commodities by imports are not very bright. Until recently we had a fair chance of sizable imports of consumer goods from the British Commonwealth countries from accumulated balances, but with the blocking of the major part of these and the growing adverse balance resulting from the large scale importation of foodgrains, the hope of procuring supplies from abroad is growing weak. We have therefore to fall back on our own resources. Government have recently announced their scheme for increasing the production of cotton textiles which, if worked in a spirit of co-operation between industry and labour, will result in the production of an additional 1,000 million yards over the estimated production of the current year. It is intended to explore the possibilities of restoring the level of production in other fields in a similar manner. I am fully conscious of the fact that any policy of stabilisation must aim not merely at the increase of production of both consumer and producer goods but also at the pegging of money incomes at an agreed and accepted level so that the increased volume of trading resulting from the increase of production may neutralise the inflationary effects of the large volume of uncovered money income. If this policy is to be carried out successfully, it would require an appreciation of the situation by labour and its wholehearted co-operation.

Revenue

10. I shall now proceed to a brief review of the financial position for the rest

of the current year. But I must warn the House that the estimates now presented must be treated as very tentative as it has not been possible to assess with any measure of accuracy the effects of the partition on our revenue and expenditure. I hope it will be possible to present a more accurate picture when the revised estimates are placed before the House along with the budget for the next year.

11. I have budgetted for a revenue of Rs. 171.15 crores and a revenue expenditure of Rs. 197.39 crores. The net deficit on revenue account in the period covered by these estimates will be Rs. 26.24 crores. But the final figure may be higher because the actual amount likely to be required for meeting the expenditure in connection with the relief and rehabilitation of refugees is still very uncertain and some help may also have to be given to the new Provinces of West Bengal and East Punjab for which, in the absence of any reliable data, no provision has been included.

12. The revenue receipts, as I have said, are estimated at Rs. 171.51 crores. Customs receipts have been placed at Rs. 50.5 crores and take into account the effect of the recent restrictions on imports for conserving our foreign exchange resources. Income-tax is expected to yield Rs. 29.5 crores on account of E.P.T. and Rs. 88.5 crores on account of ordinary collections. Although the Niemeyer Award has now ceased to have effect it is proposed to maintain the share of the Provinces in the income-tax revenue at approximately the same level as now after making an adjustment in respect of the Provinces and parts of Provinces now included in Pakistan. The Centre will retain Rs. 8 crores out of the Provincial moiety as provided in the original budget. On this basis, the divisible pool of income-tax is estimated at Rs. 66 crores and the Provincial share at Rs. 30 crores.

13. Revenue from the Posts and Telegraphs Department is expected to amount to Rs. 15.9 crores and the working expenses and interest to Rs. 13.9 crores leaving a net surplus of Rs. 2 crores. The outright contribution of the department to general revenues will be three-fourths of the realised surplus, the department retaining the balance. The department will get a rebate of interest on its share of the accumulated profits in the past which, after allowing for the portion of the department transferred to Pakistan, is expected to amount to Rs. 7½ crores. As regards the contribution from Railways we do not expect anything in the current year. The House is already aware of the reasons for this from the Railway Budget.

Expenditure

14. The total expenditure for the year is estimated at Rs. 197.39 crores, of which Rs. 92.74 crores is on account of the Defence Services, the balance representing Civil expenditure. Following the customary procedure, I shall first deal with the Defence Estimates which remain, as in the past, the largest single item of expenditure.

Defence Services

15. The reconstitution of the Armed Forces in India into two Dominion forces was an inevitable consequence of the partition of the country. This decision came at a time when the Armed Forces were in the process of rapid demobilisation. While a substantial measure of demobilisation had already been achieved, the process was arrested as a consequence of the decision to divide the remaining forces between the two Dominions on a communal-cum-options basis. The strength of the Army at the time stood roughly at 410,000 troops. After the completion of the reconstitution of the Army, India will have roughly 260,000 troops. An organisation under a Supreme Commander, acting under the direction of the Joint Defence Council, was set up and made responsible for carrying out the reconstitution, and for general administrative control of the entire

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Armed Forces until the completion of reconstitution. From the 15th August 1947, however, the operational control of the troops in each Dominion was transferred to the Dominion Government. It was originally expected that the reconstitution would be completed by the 31st March 1948. But the Armed Forces Headquarters of each of the Dominion have been able to take over administrative responsibilities in a greater measure and earlier than was originally anticipated and the reconstitution of the Forces has in consequence been accelerated. It is now expected that this will be completed in the more important fields by the end of this month when the Supreme Commander's organisation will be disbanded.

16. The future size and composition of the Armed Forces have been engaging the attention of Government, as it is obvious that they must be related to the altered strategic needs of the country as well as to its reduced financial resources. Under the pre-partition demobilisation plan the Army was to be reduced to about 230,000 men for undivided India by the 1st April 1949 against which we shall have about 260,000 men for our share alone after the reconstitution of the Armed Forces. Due to the widespread communal disturbances in the Punjab and the sporadic outbursts of disorder in other parts of the country, there has been an unprecedented call on the Armed Forces in aid of the civil power. Government have accordingly come to the conclusion that the existing forces should be retained until the 31st March 1948 but the position will be reviewed next month. The financial effect of this is that in spite of a reduction of revenue resources the expenditure on Defence Services will be running higher than it normally should during the year. In the present fluid conditions it is impossible to forecast the position in 1948-49.

17. India had never an adequate Navy or Air Force and the effect of the partition has been to reduce them still further, so far as the Dominion of India is concerned. It is obvious that even without the disturbances there could be no question of an overall demobilisation of these services. The future development plans of these services are now under consideration.

18. The complete nationalisation of India's Armed Forces in the shortest time possible is the accepted policy of Government. Due, however, to various reasons which are now a matter of history, we have had a shortage of Indian officers for filling some of the posts in the technical services and the senior appointments. This holds good to a varying degree for all the three services. It was therefore decided to employ a number of British officers who volunteered to stay, for one year in the first instance, from the 15th August 1947. As these officers hold the King's Commission they were transferred to a special list of the British Army and the Supreme Commander assumed control over them. When the subsequent developments indicated that the Supreme Commander's office may not continue beyond the 31st December 1947 it was decided to terminate the services of these British officers by the same date, leaving it to the two Dominions to offer fresh terms to any British officers they may wish to employ. The British officers have, therefore, been served with three months' notice, as laid down in their present terms of service, with effect from the 1st October 1947. The number of British officers whom it is essential for India to retain and the terms of service to be offered are now under the active consideration of Government and the actual terms under which they have been employed have now been agreed upon between the Government of India and H.M.G. in the U.K. It may, however, be stated that the number of British officers to be retained will be relatively small and it is hoped that all operational Commands, at least in the Army and the Air Force, will be filled by Indian officers.

19. As has already been announced, an agreement was reached with the United Kingdom Government that the withdrawal of the British Forces from

India should commence immediately after the transfer of power and completed as early as possible. The first detachment of British troops actually left India on the 17th August 1947. It was hoped at one time that the withdrawals would be completed before the end of 1947 but due to shipping difficulties it now appears that this may take up to April 1948. The British troops remaining in the country have, however, no operational functions. Except two R. A. F. Transport Squadrons the rest are merely awaiting repatriation.

20. The rapidly changing conditions this year have made it difficult to frame a close estimate of Defence expenditure and the position is further complicated by the fact that the proportion in which the joint expenditure incurred by the Supreme Commander's organisation should be allocated between the two Dominions is yet to be decided. On the best estimate that can be made at this stage, the net expenditure on Defence Services during the period 15th August, 1947 to 31st March 1948 is estimated at Rs. 92.74 crores. The following main factors have contributed to an increase in the expenditure:—

(1) The decision to suspend demobilisation and to withdraw troops from overseas.

(2) The implementation of the Post-war Pay Committee's recommendations in respect of Defence Services personnel. No provision for this was included in the original estimates.

(3) The movement of troops and stores in connection with the reconstitution of the Armed Forces.

(4) The calling out of troops in aid of the civil power during the disturbances in the Punjab and elsewhere.

The withdrawal of British troops from India earlier than was anticipated originally has resulted in a saving but this has been to some extent counter-balanced by expenditure in moving them to the United Kingdom and other destinations.

Civil Estimates

21. Details of the estimates under individual heads are given in the Explanatory Memorandum circulated with the Budget papers and I propose to draw the attention of Honourable Members to only the more important items included in them. As I have explained elsewhere, the initial liability in respect of the outstanding debt of the late Central Government and the pensions chargeable to it has been placed on the Indian Dominion subject to the levy of an equitable contribution from Pakistan. This contribution still remains to be settled and, for the present, no credit has been taken in these estimates for any recovery from Pakistan. The estimates also include Rs. 22½ crores on account of subsidies on imported foodgrains and a lump sum provision of Rs. 22 crores for expenditure on the evacuation, relief and rehabilitation of refugees from Western Pakistan. I have briefly referred elsewhere to the problems raised by the widespread communal disturbances in the Punjab and the North-West Frontier Province and the mass migration of refugees between the two Dominions. There are two aspects to this problem viz. the short term one of giving immediate relief to the refugees pouring into this country from Pakistan, practically destitute, and the long term one of resettling them in India. All the resources at the disposal of the Government of India have been mobilised in arranging the evacuation and relief of these refugees and the railways and the Armed Forces have been utilised to the maximum extent possible on this work. It is not possible to estimate the expenditure likely to fall on Central revenues on account of these developments and I have provisionally included a sum of Rs. 22 crores on this account in the Revenue Budget. In addition, a sum of Rs. 5 crores is being included in the ways and means budget for advances to the East Punjab Government. But I must mention that this does not give any idea of the magnitude of the burden that may be placed on Central revenues by these developments. Indeed, the basis on which the expenditure on relief and

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rehabilitation should be shared between the Centre and the East Punjab, the province most vitally affected, still remains to be decided and may take some time to decide. Whatever the final arrangement in this behalf may be, I have no doubt that it is the desire of all sections of the House that financial considerations should not stand in the way of affording relief to these unfortunate people and in alleviating their sufferings in one of the most poignant human tragedies that could take place outside a war.

22. Before I leave this subject I should like to give a brief analysis of the total provision included for civil expenditure, so that a balanced view of the position may be obtained. Of the total provision of Rs. 104½ crores, Rs. 44½ crores are accounted for by the expenditure on refugees and the subsidising of imported foodgrains, leaving Rs. 60 crores for normal expenditure. This includes Rs. 5 crores for tax collection, obligatory expenditure of Rs. 22½ crores on payment of interest and pensions and provision for debt redemption, Rs. 2 crores on planning and resettlement and Rs. 12 crores for expenditure on nation building activities such as education, medical, public health, the running of scientific institutions and scientific surveys, aviation, broadcasting, etc., in which the Centre largely supplements the work of the Provincial Governments by providing valuable assistance by way of specialised services and research, leaving a balance of Rs. 18½ crores for the ordinary expenditure on administration, civil works etc. This expenditure only constitutes 18 per cent. of the total civil expenditure included in the budget. In addition to the expenditure of Rs. 12 crores on nation building activities mentioned above, provision has also been made in the Capital Budget for a grant of Rs. 20·39 crores to Provincial Governments for development and Rs. 15 crores for loans.

Ways and Means

23. I shall now turn to give a brief account of the ways and means position. The budget for the current year provided for a borrowing of Rs. 150 crores but this target will not be reached. Owing to the communal disturbances in the country and the uncertainties of the political situation, the securities market was very unsettled in the opening months of the year and no loan was actually floated before the 15th August 1947. After the doubts about the political future had been cleared by the decision to partition the country, there was some improvement in the position and although the market has been fairly steady in recent weeks, there is not as yet any large sustained demand for investment. Government issued early this month a fifteen year loan for Rs. 40 crores carrying interest at two and three quarter per cent. with facilities for holders of the 8½ per cent. Loan, 1947-50, falling due for discharge on the 15th of this month to convert their holdings. The loan was issued at the beginning of the busy season and was not expected to be over-subscribed. But the public still seem to be hesitant in taking up Government loans and if their holding off is due to any lingering doubts about the responsibility for the repayment of the outstanding debt, I hope they will be reassured by what I have stated that the Indian Dominion remains responsible to the bond-holder. The need for money is now as urgent as ever if Government are to finance their own development plans and assist the Provincial Governments to implement their plans for development. There is also the short-term aspect to this problem, *viz.* the urgent necessity to counter the inflationary forces which are still present by withdrawing from the public as much surplus purchasing power as possible through Government loans.

24. Honourable Members must have noticed that in recent months there has been some criticism in certain quarters of the cheap money policy of Government. At the last Annual General Meeting of the shareholders of the Reserve Bank the Governor of the Bank made some observations on this question. Under the influence of that eminent economist the late Lord Keynes, cheap

money has been the cardinal feature of the monetary policy in many countries. It is no wonder that the Government of India fell in line with this trend in monetary policy. The House will realise that there is no absolute criterion by which to judge the propriety of rates at which Government borrow in the market. In the long run it is mainly a question of keeping a balance between the demands of Government on the market and the demands of industry so that the available funds in the country are used to the best advantage. In the United Kingdom where the pursuit of this policy culminated in the issue of a 2½ per cent. irredeemable loan last year, attempts are being made to consolidate the progress made so far and not to proceed further in the same direction. I realise that if there is the need for such a cautious policy in a country where the economy is mature and the money and capital markets are highly developed, it is all the more necessary in the case of an economically backward country like India. Our efforts will now be directed towards consolidating and stabilising the position so far gained. There is no intention on the part of the Government to reverse the policy and thereby jeopardize the interests of those who have trusted the Government with their money. Our borrowing programme will be such as will enable us to obtain the funds required by Government as cheaply as possible without in any way affecting the flow of investment into industry. It is also my intention to reorganise the small savings movement which was considerably expanded during the war years, so that it might be retained as a peace-time organisation with the primary purpose of encouraging savings among the middle classes. In co-operation with the Provincial Governments, steps will be taken to place the movement on a permanent footing. I take this opportunity of appealing to the chosen representatives of the people in this House to co-operate with Government fully in their borrowing programme. If the standard of living of our people is to be substantially raised by undertaking large schemes of development, both the rich and the middle classes should come forward to place their savings at the disposal of the Government.

Sterling Balances

25. The House will, I am sure, be interested to get some information on the subject of the sterling balances, the recent agreement regarding which between ourselves and His Majesty's Government in the United Kingdom I placed on the table of the House a few days ago. The peak figure which the sterling balances reached was Rs. 1,788 crores on the 5th April 1946. Thereafter, they have declined very rapidly. At the end of March 1947 they stood at Rs. 1,612 crores showing a reduction of Rs. 121 crores in twelve months. In the middle of July 1947, from when our new agreement became effective, they stood at about Rs. 1,547 crores. We had thus drawn as much as Rs. 65 crores in a little over six months. These large decreases were due largely to heavy imports mainly of foodgrains and of consumer goods, of which the country had been starved during the period of the war. They also reflected some movement of capital from India, largely British.

26. This rapid depletion of the sterling balances caused some anxiety to the Government of India. These balances represent the entire foreign exchange reserves of this country and it is of the utmost importance that they should not be lightly frittered away on the import of unessential and luxury articles or on luxury living in foreign countries for they thereby reduce *pro tanto* the capacity of this country to finance capital and developmental expenditure abroad. The view of the Government of India is that these balances should not be used to finance deficits in the balances of payments on what may be called normal current account. Our aim should be to meet our normal day-to-day requirements from abroad through the earnings of our current exports and we should draw upon these accumulated reserves, broadly speaking, only for the purpose of purchasing capital goods, the import of which is necessary for developing the agricultural and industrial productivity of this country.

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27. With this aim in view, the Government of India decided to follow a more restrictive import policy from the second half of the calendar year 1947. Broadly speaking, that policy consists of dividing imports into three categories: free, restricted and prohibited. Imports of food, capital goods, the raw materials of industry and certain essential consumer goods are free and no exchange restrictions are placed upon their import. Consumer goods which are not absolutely essential are licensed on a quota basis, while others which in the context of the economy of this country must be regarded as totally unessential and luxury imports have been altogether prohibited. Together with the restrictions on imports were introduced certain restrictions on remittances abroad, in particular on the transference of Indian capital. These new policies are now showing the effects which they were calculated to have and the reduction in the sterling balances between the middle of July and the beginning of November 1947 has only been Rs. 21 crores. I should like to point out, however, that in one substantial respect the import policy now in force differs from that in force previously, in that in the licences issued for the licensing period June to December 1947 no discrimination has been made between currencies and imports from the dollar area have been allowed on the same basis as imports from the sterling area. This position, which the House will no doubt welcome, has been brought about by the terms obtained by us in our interim negotiations on the sterling balances. The main features of this agreement, which holds good to the 31st December 1947, are that the Indian sterling balances have been divided into two accounts which may well be likened to a deposit account and a current account. The current account has been opened with a credit of £65 millions. All fresh earnings of foreign exchange are credited to the current account and all balances in the current account are available for expenditure in any part of the world including the United States of America. The deposit account is not available for ordinary current transactions but can be drawn upon only for certain limited purposes such as the repatriation of British capital from India, the payments of pensions, provident funds and gratuities outside India and certain other defined categories of payments.

28. Shortly after this agreement had been signed there arose the dollar crisis. The strain on the dollar reserves of the United Kingdom Government was felt by them to be so great that they were compelled to break their agreement with various countries regarding the free convertibility of sterling into dollars. I am glad to be able to report to the House that our agreement stands unaltered and intact and that as long as we have any balance to our credit in the current account we shall be able to spend it without question in any currency area. The United Kingdom Government have, however, appealed to us for our co-operation in the matter of saving dollars and we have promised them this co-operation. We are now engaged on a review of our import policy and are investigating other means to save dollar expenditure and we may have, I fear, to reintroduce in the next licensing period the discrimination in favour of imports from the sterling area which we removed only so short a time ago. We trust, however, that it will be possible so to arrange this discrimination as not to injure the vital needs of the country's economy.

Empire Dollar Pool

29. The country has always displayed an interest in the arrangement commonly known as the Empire Dollar Pool. As has been explained before, the arrangement is that the countries of the sterling area hold all their foreign exchange reserve in sterling, selling currencies which they do not need to the Bank of England and buying from the Bank of England currencies of which they are in short supply. As a consequence, there is always in the custody of the Bank of England a pool of foreign exchange from which members of the sterling area can buy for sterling the currencies which they need. A more

correct name for this arrangement would be "the Sterling Area Pool of Foreign Exchange." It has come to be known as the Empire Dollar Pool only because the most important of the foreign exchanges in the pool is the United States dollar.

30. Figures have been published by Government from time to time of India's earnings of dollars and other hard currencies and of her expenditure of these currencies and I shall now bring these figures up to date. From September 1939 up to the 31st March 1946 we earned Rs. 405 crores worth of United States dollars and spent Rs. 240 crores worth of United States dollars, leaving a surplus of Rs. 165 crores. On the other hand, in the same period we spent net Rs. 51 crores worth of other hard currencies, namely those of Canada, Switzerland, Sweden, and Portugal so that our net surplus on hard currency account was Rs. 114 crores. During the year 1946-47 we had a deficit in the balance of payments with the United States of Rs. 15 crores, having earned Rs. 88 crores and spent Rs. 98 crores, and a deficit in the balance of payments with other hard currency countries of Rs. 7 crores. It may therefore be assumed that we contributed net to the pool between September 1939 and March 1947 Rs. 92 crores worth of hard currencies, which is the equivalent of 275 million dollars. During the quarter April to June 1947 we have had a net deficit on hard currency account of Rs. 15 crores. It will be observed, therefore, that since the financial year 1946-47 we have been consistently drawing on the pool for our dollar requirements and that we are at the moment also in heavy deficit with the United States and other hard currency countries. Generally speaking, however, I would say that, thanks to our policy of foreign exchange restriction, we hope to end the year in a fairly comfortable financial position externally. What definite policy we will follow from the next year I am not now in a position to say because our agreement terminates at the end of this year and we do not yet know what kind of agreement will replace it. I fear however, that in view of the dollar crisis which has threatened not only the United Kingdom but the entire world, we may be in somewhat greater difficulty in the matter of dollar exchange than we are now. We hope to enter shortly into further discussions with the United Kingdom Government on the subject of the sterling balances. An official delegation from the United Kingdom is coming to our country very shortly for this purpose.

Post-war Planning and Development

31. The House will remember that in the budget for the current year provision of Rs. 100 crores was made for development expenditure, including a provision of Rs. 45 crores for grants to Provinces. The partition of the country has naturally affected the scale of this expenditure as the Government of India are no longer concerned with the expenditure on development in the Provinces and areas now included in Pakistan. When the partition of the country was decided upon, Provincial Governments were informed last July that so far as the period up to the 15th August 1947 was concerned, the Government of India would make advance payments to cover expenditure on approved schemes up to the maximum of the proportion of the budget grant for this period. The Provinces were also advised not to enter into any major commitments that were likely to embarrass either of the successor Governments. It has since been decided that for the remainder of this year grants will be available to the Provinces now remaining in the Indian Dominion on the same scale as was originally planned subject to a proportionate adjustment on account of the division of the Punjab and Bengal and the transfer of most of the Sylhet district to East Bengal. In the estimates now placed before the House a provision of Rs. 20.89 crores has been included for grants to Provinces and a sum of Rs. 15 crores for loans to them.

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82. In the last budget speech my predecessor drew attention to the fact that the resources available to the then Central Government for planning and development were likely to be less than was originally estimated. What he said then for the then Central Government is equally applicable to the present Government of India would make advance payments to cover expenditure on and in the light of the reduced resources likely to be available it may be necessary to redraw the development plans and rearrange their priorities. This does not however mean that there has been any change in the Government's policy of giving all the assistance in their power to the Provincial Governments for implementing their development schemes. It merely emphasises the need for the Provinces mobilising all the resources for this purpose and I have no doubt that this is recognised by the Provinces themselves. The House will appreciate that there is a large measure of uncertainty about the future allocation of resources between the Centre and the Provinces and till this is decided it will be difficult to make any forecast of Central resources or determine the extent to which they will be available for development and I hope to take this question of re-examining the development schemes with the Provincial Governments shortly. Meanwhile, all the approved schemes of development will be continued and the necessary funds will be made available for them. Having given this assurance on behalf of the Central Government, I would earnestly urge on the Provinces the need for conserving all their resources and securing the most rigid economy in expenditure. As I have stated, the whole basis on which post-war development plans were conceived has now been upset. The substantial revenue surpluses which were anticipated in the Central budget will now be turned into substantial deficits. In the context of this new development, the need for utilizing all the available funds in the most effective manner possible should be appreciated by the Provincial Governments.

83. In the Central field the progress on development schemes is being maintained and we are going forward with all the sanctioned schemes particularly those schemes of river development with long range benefits to the country. In this connection, the House will be interested to know that an agreement has been reached between the Central Government and the Provincial Governments concerned regarding the setting up of the Damodar Valley Authority. Another scheme which is likely to be taken up very shortly is the construction of the Hirakud Dam in Orissa at an estimated cost of Rs. 48 crores, the benefits from which will include irrigation for over a million acres, 850,000 kilo-watts of power and a considerable degree of protection from floods to the coastal districts of Orissa. It is hoped shortly to reach an agreement on this project with the Orissa Government and the Orissa States after which the actual work of construction would begin early in 1948. It is also proposed to concentrate on the construction of the Bhakra Dam in the East Punjab.

The Deficit

84. I will now come to the problem of deficit. I have carefully considered it; any part of the deficit for this year should be covered by additional taxation and I have come to the conclusion that it should be left largely uncovered. If, for any reason, our ordinary expenditure threatens to outrun our revenue there will be a clear case for either reducing the expenditure to within the available revenue or raising additional revenue to meet the expenditure. But the circumstances during the period under review have been abnormal and the deficit is entirely due to these abnormal factors. The expenditure estimates include Rs. 22 crores for the evacuation and relief of refugees while subsidies for imported foodgrains are expected to cost Rs. 22½ crores. Defence expenditure is also considerably inflated due to the slowing down of demobilisation following

the partition of the country and the necessity to maintain larger forces than would normally be necessary. It must also be remembered that no credit has been taken in the estimates for Pakistan's share of the expenditure on pensions and interest. If these factors are allowed for the budget deficit of Rs. 26.24 crores will be converted into a surplus. Notwithstanding this I feel justified in tapping any available source of income if it could be done without adding to the burden of the ordinary man. After a careful consideration of all the available sources I have decided to replace the existing export duty of three per cent. on cotton cloth and yarn by a duty of four annas per square yard on cotton cloth and six annas a pound on cotton yarn. In a full year this will yield Rs. 8 crores but in the current year the net additional revenue will amount to only Rs. 165 lakhs leaving a final deficit of Rs. 24.59 crores. A Bill to give effect to this proposal will be introduced at the end of my speech.

General Financial Position

85. This is the eighth consecutive deficit budget and the House may well ask itself if our revenue position is sound. I have myself no hesitation in answering that question with in emphatic 'yes'. The years covered by these budgets have been overshadowed by the greatest war in history and no country, whether neutral or belligerent, has been able to escape its economic effects or its aftermath. The deficits in the war years were wholly due to the high level of Defence expenditure and were met as far as possible by raising additional taxation. The return to peace time conditions has been slower than we anticipated and even this tardy progress has been retarded by the recent partition of the country and the unhappy developments in the Punjab. I have just mentioned the large burden thrown on this year's budget by the unavoidable expenditure on refugees and the payment of subsidies for foodgrains. In addition, the expenditure on Defence is much higher than it would be in a normal year. If these special factors are taken into account it will be seen that we have not been living beyond our means or heading towards bankruptcy. I do not wish in any way to minimise our present difficulties or to underrate the effort required to surmount them but I have no doubt that once we reach fairly normal conditions and are able to reduce our Defence expenditure to peace-time proportions and curtail our reliance upon import of foodgrains we should be able to balance our budget. It will be too optimistic to expect normal conditions for the next year but I feel that with a determined all-round effort we should be able to achieve this result in 1949-50.

86. And what about the general financial position of the country? Here again while there is no room for complacency there is equally no reason to take a pessimistic view. There is no doubt that economically and strategically the partition of the country has weakened both the Dominions created by it and it is a truism that an undivided India would have been in every way a stronger State than either. But the Indian Dominion with its seceding States would still cover the larger part of our country, with immense resources in men, material and industrial potential. Our debt position is also intrinsically sound and for a country of its size, India carries only a relatively small burden of unproductive debt. Our external debt is negligible and we have considerable external resources in the accumulated sterling balances. At the beginning of this year the total public debt and interest bearing obligations of undivided India stood at roughly Rs. 2,531 crores of which only Rs. 864 crores represented unproductive debt and Rs. 86 crores external debt, while her external reserves amounted to over Rs. 1,600 crores. The share of Pakistan in these has not yet been determined but it is unlikely to affect the broad proportions of this picture.

87. The only disturbing features in the position are the persistence of inflationary trends and the unsatisfactory food position to both of which I have drawn

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attention elsewhere. The only real answer to inflation is to increase our internal production and thereby close the gap between the available supplies and the purchasing power in the hands of the community which in present circumstances imports cannot bridge. Till this position is reached the community must conserve its purchasing power by lending it to Government. As regards food, I am sure the House will agree that the country cannot indefinitely rely on imports. For one thing this places us at the mercy of foreign countries for our vital necessities and for another large scale imports of foodgrains seriously effect our foreign exchange position and threaten to consume the bulk of the available resources which are badly required for the industrialisation and development of the country. We must concentrate all our energies on producing as much food as possible within the country. I suggest that this is not an impossible task, for after all the total imports from abroad, which have never touched more than 2½ million tons in any year so far, represent only a fraction of the total foodgrains amounting to 45 million tons that we produce, although they make a large hole in our available foreign exchange.

88. I should like to make a few observations on the criticism made in certain quarters that the level of taxation introduced in the last Budget has seriously affected the incentive for investment. In their last Annual Report the Central Board of Directors of the Reserve Bank of India have observed "There seems little doubt now that the severity of the last Budget is defeating its own purpose and is hindering the formation of capital for productive purposes. Unless correctives are applied without delay, there is a danger of the very foundations of society and economic life of the country being undermined by deepening penury and despair." A pronouncement of this kind coming from such an authoritative source must receive serious notice. I have no doubt in my mind that it was not the intention of the Government to so arrange its taxation policy as to stifle the growth of industry in the country. On the contrary, it is of the utmost importance that the country should be industrialised rapidly so as to secure increased production and a widening range of employment for our people. There is no need for any serious difference of opinion based on mere ideologies. Whatever might be the ultimate pattern of our economic structure, I hold the belief that for many years to come there is need and scope for private enterprise in industry. We cannot afford to lose the benefit of the long years of experience which private enterprise has gained in the building up of our industrial economy. I believe that the general pattern of our economy must be a mixed economy in which there is scope both for private enterprise and for State enterprise. Before I present the annual Budget to this House next February, I shall make a careful examination of the consequences of our taxation policy and endeavour to make any adjustments that may be necessary to instil confidence in private enterprise. In the meantime, I may assure the House that it is not the policy of the Government to hamper in any way the expansion of business enterprise or the accumulation of savings likely to flow into investment.

Conclusion

89. Mr. Speaker, I would now conclude the Speech with an appeal to this House and through the House to the country at large. For the first time in two centuries we have a Government of our own answerable to the people for its actions. It is the duty and the privilege of such a Government to render an account of its stewardship to the representatives of the people, but the Government has also the right to ask for the co-operation of the entire community in the carrying out of the accepted policies. Events of the last few weeks have unmistakably shown that the political problems arising out of our status have not yet been fully solved. While we have

secured freedom from foreign yoke, mainly through the operation of world events and partly through a unique act of enlightened self-abnegation on behalf of the erstwhile rulers of this country, we have yet to consolidate into one unified whole the many discordant elements in our national life. This can be achieved only by the rigorous establishment of the rule of law which is the only durable foundation on which the fabric of any democratic State can be raised. Respect for law is essentially a matter of political training and tradition and transition from a dependent to an independent status always makes it difficult in the initial stages to secure that unflinching obedience to the rule of law which always acquires a new meaning in a new political context. If the fabric of the State is not built on durable foundations, it will be futile to try and fill it with the material and moral contents of a good life. If India, just risen from bondage, is to realise her destiny as the leader of Asia and take her place in the front rank of free nations, she would require all the disciplined effort her sons and daughters can put forth in the years immediately ahead. The willing help and co-operation of all sections of the community is required in maintaining peace and order, in increasing production and in avoiding internecine quarrels whether communities or between capital and labour. I am sure my appeal for this help and co-operation will not go in vain.

INDIAN FINANCE (SUPPLEMENTARY) BILL

The Honourable Shri B. K. Shanmukham Chetty (Minister for Finance): Sir, I beg to move for leave to introduce a Bill to give effect to the supplementary financial proposals of the Central Government for the year ending on the 31st day of March, 1947.

Mr. Speaker: The question is:

That leave be granted to introduce a Bill to give effect to the supplementary financial proposals of the Central Government for the year ending on the 31st day of March, 1948.

The motion was adopted.

The Honourable Shri B. K. Shanmukham Chetty: Sir, I introduce the Bill.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 27th November, 1947.