

LEGISLATIVE

DEBATES

(Official Report)

Volume VII, Part III

(4th March to 25th March, 1926)

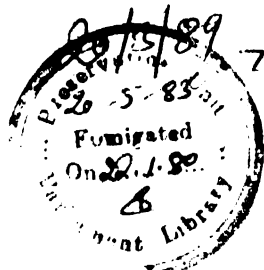
FOURTH SESSION

OF THE

SECOND LEGISLATIVE ASSEMBLY, 1926



DELHI
GOVERNMENT OF INDIA PRESS
1926



Legislative Assembly.

The President :

THE HONOURABLE MR. V. J. PATEL.

Deputy President :

DIWAN BAHADUR T. RANGACHARIAR, M.L.A.

Panel of Chairmen :

MR. K. C. NEOGY, M.L.A.

SIR DARCY LINDSAY, M.L.A.

LALA LAJPAT RAI, M.L.A., AND

MR. ABDUL HAYE, M.L.A.

Secretary :

MR. L. GRAHAM, C.I.E., M.L.A.

Assistants of the Secretary :

MR. W. T. M. WRIGHT, C.I.E., I.C.S.

MR. S. C. GUPTA, BAR.-AT-LAW.

MR. G. H. SPENCE, I.C.S.

Marshal :

CAPTAIN SURAJ SINGH, BAHADUR, I.O.M.

Committee on Public Petitions :

DIWAN BAHADUR T. RANGACHARIAR, M.L.A., *Chairman.*

DIWAN BAHADUR M. RAMACHANDRA RAO, M.L.A.

COLONEL J. D. CRAWFORD, M.L.A.

MR. JAMNADAS M. MEHTA, M.L.A.

MR. ABDUL HAYE, M.L.A.

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LEGISLATIVE ASSEMBLY.

Thursday, 4th March, 1926.

The Assembly met in the Assembly Chamber at Eleven of the Clock, Mr. President in the Chair.

MEMBERS SWORN:

Mr. Ernest Burdon, C.S.I., C.I.E., M.L.A. (Secretary, Army Department), and Mr. Panumbar Ragavendra Rau, M.L.A. (Finance Department; Nominated Official).

MESSAGES FROM THE COUNCIL OF STATE.

Secretary of the Assembly: Sir, two Messages have been received from the Secretary of the Council of State. The first one is as follows:

"I am directed to inform you that the Council of State have, at their meeting held on the 2nd March, 1926, agreed without any amendment to the Bill to define and limit the powers of certain Courts in punishing contempts of courts, which was passed by the Legislative Assembly on the 8th February 1926."

The second Message is as follows:

"I am directed to inform you that the Council of State have, at their meeting held on the 3rd March, 1926, agreed without any amendment to the Bill further to amend the Indian Registration Act, 1908, which was passed by the Legislative Assembly on the 19th February, 1926".

RESULT OF THE ELECTION FOR THE STANDING FINANCE COMMITTEE FOR RAILWAYS.

Mr. President: I have to announce that the following Members have been elected to serve on the Standing Finance Committee for Railways:

1. Khan Bahadur Saiyid Muhammad Ismail.
2. Lala Lajpat Rai.
3. Sir Darcy Lindsay.
4. Mr. E. F. Sykes.
5. Mr. Ambika Prasad Sinha.
6. Mr. Jamnadas M. Mehta.
7. Mr. M. Samiullah Khan.
8. Seth Kasturbhai Lalbhai.
9. Mr. K. Rama Aiyangar.
10. Maulvi Abul Kasem.
11. Maulvi Syed Murtuza Sahib Bahadur.

THE TRANSFER OF PROPERTY (AMENDMENT) BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

Sir Hari Singh Gour (Central Provinces Hindi Divisions: Non-Muhammadan): Sir, I beg to present the Report of the Select Committee on the Transfer of Property (Amendment) Bill.

STATEMENT LAID ON THE TABLE.

Mr. A. G. Olow (Department of Industries and Labour: Nominated Official): Sir, I beg to lay on the table a statement of grievances placed before the Honourable Member in charge of the Department of Industries and Labour by the Deputations of Postal Unions in March, 1925, and of conclusions arrived at and action taken thereon.

Statement of grievances placed before the Honourable Member in charge of the Department of Industries and Labour by the Deputations of Postal Unions in March 1925, and of conclusions arrived at and action taken thereon.

PART I.—Grievances represented by the deputation of the All-India (including Burma) Postal and Railway Mail Service Union.

| Serial No. | Subject. | Conclusions arrived at and action taken. |
|------------|--|---|
| 1 | Pay and local allowances. | The existing rates of pay and allowances, as well as those proposed by the All-India Postal and Railway Mail Service Union, have been examined broadly. The conclusion arrived at is that there is no justification for the grant of what is known as the "minimum demand" of the Union. The existing rates of pay and allowances are, however, being examined in detail by comparison with the pay and allowances, as well as the duties and responsibilities, of other subordinate employees of Government serving in the same localities. In certain cases an improvement of the present rates of pay and allowances now allowed in the Postal Department, has been found to be fully justified; and provision has been made in the Budget of 1926-27 to introduce such improvement. Other cases are under examination. |
| 2 | Number of appointments above the time-scales including Inspectors. | The Union ask that 18 per cent. of the total number of appointments should be above the time-scales (i.e., in what are known as selection grades). The principle now followed by Government in the matter is based on a recommendation of the Postal Committee of 1920 and is that the number of appointments in the selection grades should depend upon the number of posts that carry special responsibilities. The matter has been further examined and the conclusion arrived at is that there is no justification for departing from the principle now in force. The question of additions to the posts to be provided for in the selection grades and of improvement of the present rates of pay and allowances of appointments in those grades is receiving separate consideration, though it is unlikely that any decision in this matter will be reached until the necessary improvement has been made in the rates of pay and allowances of the lower paid staff. |
| 3 | Allowances: (a) Outstation allowance to Railway Mail Service officials. | It is clear from paragraph 8, page 79, of their report that the Postal Committee of 1920, in fixing the rates of pay recommended by them for Railway Mail Service sorters, took into account the fact that "the duties of sorters of Railway Mail Service entail almost incessant travelling, frequent absence from home, the additional expenditure incidental thereto, for which travelling allowance is not granted, and work under trying physical conditions;" and the Union are not therefore correct in stating that the Committee failed to take note of these facts. The facts are not being overlooked in connection with the further examination of rates of pay of Railway Mail Service sorters. |

| Serial No. | Subject. | Conclusions arrived at and action taken. |
|------------|--|---|
| 3 | <i>Allowances—contd.</i> | |
| | (b) Double pay for Sunday and holiday work. | A certain amount of work on Sundays, and work on certain holidays, are necessary in the post offices, if no curtailment is to be made in the facilities now enjoyed by the public. Investigations are being made as to how far such work can be reduced to a minimum. The position was fully recognised in paragraphs 1, 3 and 7, pages 117 to 119, of the Report of the Postal Committee of 1920 and the rates of pay recommended by them for the postal subordinates allowed for these factors. As stated in paragraph 3, page 118, of that Report the casual leave admissible to the staff was increased some years ago to 20 days per annum to compensate them for the loss of holidays. Steps are being taken to make this concession effective; and with this object a provision of Rs. 1 lakh for postmen and postal menials has been made in the Budget of 1926-27. |
| 3 | (c) Grant of over-time allowance and pie-money. | The prescribed hours of work of a subordinate in the post office are eight per day and where there is a regular arrangement requiring or permitting a man to undertake work during any day which he cannot finish within the prescribed eight hours in accordance with the time tests in force, arrangements exist for the grant of over-time allowances. Investigations are being made to ascertain whether in general, or in particular offices, men are required to put in very much longer hours than the prescribed eight hours for which they are supposed to be on duty. The matter was dealt with in paragraph 6, page 119, of the Postal Committee's Report. |
| | | Investigations recently made by the Director-General have indicated that no combined office circuit is eligible for pie-money under the rules laid down by Government. If any such circuit becomes eligible, it will be declared a pie-money circuit. |
| 3 | (d) Double duty allowances in certain cases. | Railway Mail Service officials already get double duty allowances to compensate them for encroachment on periods of rest. In August, 1925, the leave reserve in the Railway Mail Service was increased to 20 per cent. in India and 25 per cent. in Burma; and this increase should reduce the occasions on which a sorter will be required to perform a double duty. |
| 3 | (e) Monthly duty allowance to Superintendents' head clerks and town inspectors. | This item is being considered in connection with the question of improvement of pay and allowances of appointments above the time-scales (see item No. 2). |
| 3 | (f) Remuneration for work in connection with the delivery of foreign mails received on Sundays or on post office holidays. | An extra allowance is already paid in Bombay, Calcutta, Rangoon and Karachi where the staff is <i>specially</i> called up for work of sorting and delivery of English mails. To other places the remark against item 3 (b) applies. |

| Serial No. | Subject. | Conclusions arrived at and action taken. |
|------------|---|--|
| 8 | <i>Allowances—conold.</i> | |
| | (g) Daily allowance for overseers, village postmen, etc., when out of headquarters. | Periodical absence from headquarters is a feature inherent in the condition of service of men of these classes. The question of affording relief in special cases is being examined along with the question of improvement of pay and allowances. |
| 8 | (h) Charge allowance to time-scale men for holding charge of an office. | There is no general case for the grant of such charge allowances. |
| 4 | Anomalies : | |
| | (a) Removal of fifty per cent. limit placed on the immediate improvement of pay on the introduction of the time-scale in 1920-21. | The decision complained of was based on a specific recommendation of the Postal Committee of 1920, which was made after full consideration of the arguments adduced by the Union. There is no sufficient justification for going back on that decision, and for revising the initial rates of pay fixed about six years ago. The practice of different Departments of the Central Government and of Provincial Governments in the matter has not been uniform. |
| 4 | (b) Counting of temporary and officiating service. | <p>The following concessions have recently been granted :—</p> <p>(1) All clerks who were in the telegraph training class on the 1st December, 1919, should be treated as on deputation with full pay from the 1st December, 1919, and the period spent in training from that date should count towards increment in the time-scale rates of pay.</p> <p>(2) Officials of the clerical class and inferior servants employed in post offices and in the Railway Mail Service, excluding runners and boy messengers, who held permanent appointments on the 30th June, 1922, have been allowed to count their officiating or temporary service followed without intermission by permanent service towards increment in their respective time-scales, on condition that the higher rate of pay would not be admissible as a result of these orders for any period prior to the 1st July, 1925.</p> <p>(3) <i>Real</i> interruptions of paid temporary or officiating service not exceeding seven days have been condoned for the purpose of counting such service towards increment in the time-scales.</p> |
| 4 | (c) Application of next-below rule in all cases. | <p>A comprehensive examination of individual cases of hardship is also being made.</p> <p>There is no justification for accepting the proposal of the Union in this matter. The principle mentioned by the Union that a junior should not get more pay than his senior has never been accepted by the Government of India.</p> |

| Serial No. | Subject. | Conclusions arrived at and action taken. |
|------------|---|--|
| 4 | Anomalies— <i>contd.</i> | |
| | (d) Equalisation of Dead Letter Office and Railway Mail Service scale with that of the post office. | The Dead Letter Office scale has been equalised with that of the post office. The Railway Mail Service scale is under further examination. |
| 4 | (e) Inspectors and head clerks to have one increment for every year of past service. | There is no justification for revising the decision arrived at in this matter with reference to a recommendation of the Postal Committee of 1920. |
| 5 | Leave reserve of 25 per cent. for post office clerks and 30 per cent. for Railway Mail Service and Burma, and 10 per cent. for postmen and men in inferior service. | The leave reserve for sorters in the Railway Mail Service has been increased to 20 per cent. in India and 25 per cent. in Burma. A general arrangement has also been introduced provisionally permitting of the grant of leave on medical certificate, even if the total number of absentees may be in excess of the leave reserve. |
| 6 | Revision of time-test for post office and the Railway Mail Service, and introduction of time-test for Superintendents' office and Dead Letter Office. | The time-tests have been revised in recent years and the matter is being further looked into. It is not possible to introduce time-tests for Superintendents' offices. A time test has been recently adopted for the Dead Letter Offices. |
| 7 | Abolition of split duty. | Instructions have been issued to Postmasters-General, etc., to take vigorous action in the matter of reduction of split duties by an adjustment of duties and to submit reports by the end of November, 1926. When these reports are received, the matter will be further pursued. |
| 8 | Stoppage of reduction of Railway Mail Service sets. | The real grievance here is the inadequacy of staff. The Director-General has already taken steps to provide staff justified by the time-test, and a provision of Rs. 80,000 has been made in the Budget of 1926-27 for this purpose. The Director-General has also addressed heads of Railway Mail Service circles to see that sets are properly manned. |
| 9 | House-rent to be paid to sub-postmasters in towns where no quarters are provided. | A provision of Rs. 80,000 has been made in the Budget of 1926-27 to redress this grievance. |
| 10 | Accommodation in mail vans to be increased. | The matter is one which receives the constant attention of the Director-General and no special action appears to be called for. |

| Serial No. | Subject. | Conclusions arrived at and action taken. |
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| 11 | All mail vans to be fitted with electric lights and fans. | Practically all mail vans are fitted with electric lights and fans, except over the Assam-Bengal Railway. In respect to this latter the matter has been taken up with the Railway authorities. |
| 12 | Postmen are not to be required to guard post offices at night. | Orders were issued by the Director-General in March, 1925, prohibiting any compulsion in the matter and placing the duty on a voluntary basis. |
| 13 | Postmen should be allowed to appear for the clerkship examination after five years of service. | The Director-General has granted this prayer and has made the necessary amendment to his rule. |
| 14 | Men in inferior service to have the same privilege as men in superior service with regard to leave and pension. | There is no justification for making any discrimination in this matter in favour of men employed in the Postal Department as compared with men in inferior service in other Departments of Government. |
| 15 | Packers and van peons to be provided for all post offices and the Railway Mail Service sections. | There is no justification for a general rule of the nature demanded. Packers and van peons are given by the Director-General where and as required. |
| 18 | (a) Restoration of peons to Inspectors of post offices. | It has been decided to restore peons to Inspectors of post offices; and a provision of Rs. 45,600 has been made on this account in the Budget of 1926-27. |
| | (b) Railway Mail Service Inspectors to be provided with orderly peons. | These officials were never provided with orderly peons and orderly peons are not required by them. |
| | (c) House-rent of Rs. 10 or accommodation for Inspector's office to be provided. | In regard to post office inspectors, the office rent allowance of Rs. 5 which they get at present, where no office accommodation is provided, is ordinarily sufficient. In cases where it is insufficient, increased allowances are sanctioned on a representation from heads of circles. In regard to Railway Mail Service inspectors it is not necessary to give them an office-rent allowance, as they are required to work at their head-quarters in the Railway Mail Service offices located at Railway stations. |
| 17 | Superintendents' head-clerks to be classed as second class officers for purpose of travelling allowance, like inspectors. | There is no real case for putting these officials into the second class for purposes of travelling allowance. Ordinarily they have no travelling to do. |
| 18 | Reduction of weight to be carried by postmen to 600 tollahs. | It is not possible to lay down any hard and fast rule on the subject. When a load for delivery is excessive or heavy, coolies are engaged to help the postmen. |

| Serial No. | Subject. | Conclusions arrived at and action taken. |
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| 19 | Adequate warm clothing for officials below the clerical cadre and overcoats for officials on night duty. | Reports on the subject were called for from heads of circles. These have been received and the matter is now under examination. |
| 20 | Omission of words "and no such person shall be retained in the Department" from rule 17 of the Guarantee Fund Rules. | It has been decided to abolish the Guarantee Fund. |
| 21 | Indiscriminate house-search should be discouraged and personal searches of Railway Mail Service officials in station platforms before the public should be stopped. | In the matter of house-search, no interference with the police is possible. The Director-General has addressed Deputy Postmasters-General on the subject of avoiding publicity when personal search is necessary. |
| 22 | Abolition of periodical test sorting examination after ten years' service. | The matter has been examined and it has been decided that the examination cannot be abolished in the interests of the efficiency of the Department. |
| 23 | Municipal and other taxes not to be recovered from post masters occupying quarters provided for them. | The matter is under examination. |
| 24 | Baroda income-tax and income-tax in any Indian State to be compensated for by Government. | Orders have been issued to remedy this grievance. |
| 25 | Officials not to be kept in unhealthy and Frontier stations for more than a year. | Director-General has recently issued orders that no official should ordinarily be required to serve more than 12 months in a notoriously unhealthy office unless the official himself desires to remain there. In regard to Frontier stations, orders were issued in May, 1921, that an official who has served in such stations for a period of two years, should be given an option of a transfer. |
| 26 | Grant of all bank holidays to post office. | } See remarks against item 3(d). |
| 27 | Telegraph branch of combined offices to enjoy all postal holidays. | |

| Serial No. | Subject. | Conclusions arrived at and action taken. |
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| 28 | Communication to officials concerned of adverse remarks recorded in character sheets. | The Director-General has issued orders that adverse remarks should be communicated to officials concerned. It has been decided to take no further action at present with regard to the other matters mentioned in this item of grievance. |
| 29 | Equipped tiffin rooms in offices having four or more clerks. | A provision of Rs. 45,000 has been made in the Budget for 1926-27 to provide equipped tiffin rooms in offices where they are most required. |
| 30 | Removal of age limit in cases of candidates appearing (a) for inspectorship and (b) signallers' examinations. | In regard to (a) a relaxation of the ordinary age limit of 35 is already permissible at the discretion of heads of circles. In regard to (b) it has been decided to extend the present age limit from 25 to 27 years; and heads of circles have been instructed accordingly. No further concessions are at present possible in the interest of the efficiency of the service. |
| 31 | Permission to the Union to represent individual cases. | It is not possible to permit the representation of the Union to supplant the ordinary machinery of appeal. |
| 32 | The period required by members to attend conference and meetings, to be considered as special leave, subject to a maximum. | The Union was asked to submit specific proposals. No such proposals have so far been received. |
| 33 | Revision of appeal system. | The present system is analogous to the system existing in other departments of Government. There is no justification for making any discrimination in the matter in the case of postal servants. |
| 34 | Circle advisory committee. | The Union was asked to submit a practical scheme on the subject, which is still awaited. |
| 35 | Postal and Railway Mail Service pensioners to be paid by the post office. | It is neither necessary nor desirable for the post office to undertake the duty of paying more pensions than it has already undertaken to pay. The matter does not constitute a grievance by the staff but a demand to impose another burden on a Department in which the staff complain of over-work. |
| 36 | Restrictions in granting leave on medical certificate. | The two points in the Director-General's circular on the subject, which were referred to by the Union in connection with this grievance, have since been met by the issue of a further circular. |

PART II.—Grievances represented by the deputation of the All-India Postmen and Lower Grade Staff Union.

| Serial No. | Subject. | Conclusions arrived at and action taken. |
|------------|--|--|
| 1 | Uniforms and clothing, supply of overcoats, waterproof capes and umbrellas. | See remarks against item 19 of Part I. |
| 2 | Fixation of a suitable limit of weight for mails to be carried by postmen. | See remarks against item 18 of Part I. |
| 3 | Congestion in Simla postmen's quarters. | The matter is being investigated in consultation with the Postmaster-General, Punjab and North-West Frontier. |
| 4 | Reduction of work on holidays or grant of entire rest on holidays or on alternate Sundays. | See remark against item 3(b) of Part I. |
| 5 | Fixation of suitable hours of delivery with more regard to the convenience of the staff. | Without impairing the utility of the services rendered to the public by the Post Office, it is not desirable to fix any arbitrary hours. As far as possible the convenience of the delivery staff is duly considered. |
| 6 | Increase of the number of appointments open for postmen, e.g., by the creation of a III Division of clerks. | The matter is under consideration. |
| 7 | Grant of house-rent allowance of Rs. 5 to postmen in every union village in the Madras Presidency, and of a higher house rent allowance of Rs. 7 in Madras City. | The particular demand of the union does not appear to be wholly justified. The general question of providing accommodation, and house-rent allowance in lieu, to postmen, etc., is under consideration. A provision of Rs. 2½ lakhs for house-rent allowance and Rs. 1 lakh for accommodation for postmen and postal clerks has been made in the Budget for 1926-27. |
| 8 | Grant of "bhatta" allowance to village postmen when out on their beats. | See remarks against item 8 (g) of Part I. |
| 9 | Excessively long beats of village postmen in Garhwal. | The matter is being investigated in consultation with the Postmaster-General, United Provinces. |
| 10 | Difficulty in getting casual leave. | A provision of Rs. 1 lakh has been made in the Budget for 1926-27 to remedy this grievance as far as necessary. |
| 11 | Insufficiency of a number of postmen to do delivery work everywhere. | A provision of Rs. 1 lakh has been made in the Budget for 1926-27 to remove deficiencies wherever they are found to exist. |
| 12 | Provision of rest rooms for postmen in all large offices. | The matter is under consideration in consultation with Heads of Circles. |

| Serial No. | Subject. | Conclusions arrived at and action taken. |
|------------|--|--|
| 13 | Paucity of overseer, sorting and reader postmen in Bombay City compared with the number of postmen. | The matter has been investigated and the conclusion has been arrived at that no increase in the number of sorting and reader postmen is at present required. The position in regard to overseers is under further investigation. |
| 14 | Revision of time-test or standards for determining the number of postmen required. | It is not feasible to lay down any hard-and-fast rule, except that of eight hours' work a day, as conditions vary enormously in different localities. The only real test is that of experience. |
| 15 | Sufficiency of postmen in Bombay with special reference to the Development Scheme. | See remark against item No. 11. |
| 16 | Substitution for pension of a Provident Fund. | The general question is receiving the consideration of the Government of India. |
| 17 | Unions to stand surety for postmen and lower grade officials from whom security is demanded. | No action is possible until the Trades Union Bill becomes law, and the unions referred to take advantage of its provisions. |
| 18 | Loss of house-rent during leave. | Grant of house-rent while on leave is governed by rule 7 of the Supplementary rules. No discrimination in favour of postal subordinates in the matter is possible. |
| 19 | Grant of house-rent to overseers. | It is not clear which class of "overseers" is meant—"mail overseers" or "overseer postmen". The former nowhere get house-rent allowance. The latter get the allowance in places where postmen get it. |
| 20 | Overseer postmen, reader postmen and sorting postmen to be placed on a separate scale of pay of their own. | The Postal Committee of 1920 expressed the opinion that in the case of these appointments it was preferable to sanction specified duty allowances rather than to have special rates of pay, the reasons being that such a system admits of selection of the best men regardless of seniority and of the removal without dismissal, degradation or stigma of men whom it is deemed desirable to revert to the regular line. The arrangement has worked well, and there is not sufficient justification for changing it. |
| 21 | Grant of house-rent at Jhelum and other expensive places in the Punjab and North-West Frontier and of higher house-rent at Lahore. | See remarks against item 7. |
| 22 | Difficulty experienced by village postmen in obtaining food and shelter when out on their beats even though they offer payment. | Heads of Circles have been instructed that if any proved instance of the kind comes to their notice they should address the Local Government asking them to bring pressure upon the Lambardars and the village Headmen concerned. |

GENERAL DISCUSSION OF THE BUDGET—PART II.

FIRST STAGE.

Mr. President: The Assembly will now proceed with the general discussion of the Budget, Part II, first stage.

Mr. Harchandrai Vishindas (Sind: Non-Muhammadan): Sir, in the beginning I feel it my duty to mark my sense of appreciation of the very interesting budget speech that has been delivered by the Honourable the Finance Member and also of his judicious handling of the finances which has resulted in such a satisfactory surplus. To proceed to consider the Budget on its merits, there are features which are worthy of credit and others which cannot be passed over without adverse comment. But before I proceed to remark on the provisions of the Budget in their serial order, I propose to single out two passages in the budget speech. One is that which relates to the discoveries in Harappa and Mahenja-Daro; and I welcome the proposal of the Honourable the Finance Member to reserve a fund of fifty lakhs of rupees for this archaeological work. I may tell Honourable Members that I come from the province in which Mahenja-Daro is situated and it is a matter of great gratification to be told that our civilisation dates as far back as 3,000 years ago, if not more. On that announcement I might say that I now refuse to believe that we are descended from monkeys, whether chimpanzee or orang-outang.

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): What is the harm if you do admit it?

Mr. Harchandrai Vishindas: The other passage of which I propose to take notice is that glowing one in which the Honourable the Finance Member repudiates the idea that the acquisition and accumulation of wealth involve a sacrifice of spirituality. This was to be expected from an ardent student of theology who keeps aloof from the rabble of unbelievers; but I may inform him that as a matter of fact our ancient religion did not forbid the accumulation of wealth but encouraged it as calculated to serve . . .

(Here the Honourable Member broke off abruptly on receiving a message, and resumed his seat.)

Rao Bahadur M. C. Naidu (Burma: Non-European): Sir, I desire to say that this Budget is a great improvement on that of last year. (*Honourable Members on the Swarajist Benches:* "Say it, don't read it!") I wish to congratulate the Honourable the Finance Member . . .

Mr. Devaki Prasad Sinha (Chota Nagpur Division: Non-Muhammadan): On a point of order, Sir. The Standing Order says when a Member is called upon he should speak. I would like your ruling on this point, as the Honourable Member is reading.

Mr. President: I have heard the Honourable Member's point of order: there is nothing in it.

Rao Bahadur M. C. Naidu: I wish to congratulate the Honourable the Finance Member not only on his Budget this year but on all the great work he has put in for India since he assumed office. I am pleased to

[Rao Bahadur M. C. Naidu.]

learn that Burma is to receive a reduction in her contribution of 7 lakhs. It is comparatively considerably less than what was given last year, namely, 20 lakhs, but every little helps. While gratefully accepting the dole now given I trust it is but the earnest of further favours to come.

I may point out that the general principle of State policy in the case of surplus is that the claims of the general tax-payer should be first considered. But I find that the policy of the Government of India is not to turn their thoughts generally to the reduction of central taxation till the provincial contributions have been wholly extinguished. I say with great respect to the Honourable the Finance Member that it is a policy which is liable to be seriously questioned not only in this House but in the country at large; and I venture to suggest that a policy of utilising surpluses partly to reduce the provincial contributions and partly to reduce central taxation would meet with more general approval than the present policy which entails the total extinction of provincial contributions before any reduction in central taxation can be taken in hand.

Regarding military expenditure one would imagine that the Army was a hobby of the Honourable the Finance Member and of His Excellency the Commander-in-Chief and that we had no neighbours at all who would be likely to give trouble. But we must take the geographical position of the country into account and remember that if calls are made on the Army, say, from the North-West Frontier at any time and it is not able to meet them, the first people to criticise the Army administration would be those who object to the amount of the present expenditure. Reductions in Army expenditure have been very large. It is hoped that, in the desire for further reduction, retrenchment will not be allowed to pass the bounds of prudence and safety.

Turning to the Posts and Telegraphs, it is asserted that in case postal rates are reduced, the increase in correspondence and the increase in the sale of postcards alone will justify such reduction. But I regret to find that working expenses have risen much in the same proportion as the receipts, so that the estimated profit is reduced to vanishing point. That of course is a distinct argument against reduction of postal rates. Unless the Post Office can be run at a profit, a reduction in the postal rates cannot be looked for. Having regard to present conditions I agree with the Honourable the Finance Member when he stated the other day in his speech introducing the Budget for 1926-27:

"There is in my view no probability whatever of a return to pre-war rates for letters and postcards except at the cost of a heavy and steadily increasing subsidy from the pocket of the tax-payer."

However, I would suggest that some consideration might be paid to the complaints of postal employees, and I would ask the Honourable Member in charge of the Department to consider whether he could not see his way to improving the pay of the subordinate service generally.

Industries will not be developed in the way they should be, if the development is going to be handicapped by high rates of super-tax and income-tax. I feel quite certain that the Honourable the Finance Member recognizes this important point, and that he will give it his attention as soon as he possibly can.

I shall now deal with items more particularly affecting Burma. Burma last year contributed 15 per cent. of the Customs revenue. This contribution will have been considerably increased by now as a result of the amendment of the customs laws which has enabled Burma to levy customs dues on imports through her land frontiers. In addition, Burma contributes 9 per cent. of the revenue derived from Taxes on Income, and 5 per cent. of the revenue from Salt. The revenue derived from the sale of opium must be considerable. In addition to this, it is estimated that money order remittances from Burma to India amount to nearly 6 crores per annum. These remittances constitute a considerable drain on the money in circulation in Burma to the benefit of India. The rice export duty, amounting roughly to one crore of rupees, annually accrues to central revenues from Burma. Having regard to the enormous amount of money which comes into India from Burma, Burma is deserving of specially sympathetic treatment at the hands of the Central Government.

I may state that there is considerable soreness in Burma in connection with steel duties; first because she was not excluded from the operation of the Act that imposed them, and secondly because her request that the amount collected in enhanced duties on steel imported into Burma might be handed over to her, has been refused. I am given to understand that the Government of India were sympathetic to Burma's claim for exclusion, but the sympathy does not show any sign of taking a material form.

I submit that Burma's financial position is therefore worthy of immediate consideration. I suggest that a suitable manner of disposing of the surplus reserved against misadventures or disappointments, if any, would be to allocate it to Burma, and I would further suggest the complete cancellation of Burma's contribution to the Central Government.

Not only with regard to the items already mentioned, such as military expenditure, etc., but even with regard to such items as Indianization, Exchange, Currency, etc., which are all recurring songs of this House, has dissatisfaction been expressed. In all cases where these feelings are founded on reasonable grounds, I trust that the Government of India's attitude will be as sympathetic as it has been in regard to the cotton excise, so that those who feel they have some complaint and even those who doubt the *bona fides* of the British rule, may be in a position to say that this rule has been for the benefit of India, and that its sole object in the future will be the interests of India.

Sir, I end as I began my speech. I wish the Honourable the Finance Member every success during the coming year.

Colonel J. D. Crawford (Bengal: European): Sir, I too would like to pay my tribute of praise to the Honourable the Finance Member on the very satisfactory state of India's finances which this year's Budget has disclosed. I think we must all admit that the happy weather conditions which we have had during the past two years have contributed largely to that happy result. But we also have to admit that his own work has done very much to bring about this very excellent result.

The Budget is framed with a very real courage, for in two years we have wiped off for ever over 4½ crores of provincial contributions, and 1½ crores of cotton excise duty. It needs a good deal of courage to exclude those from your revenues; and noting this courage of the Honourable the Finance

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Member, I wonder if he will not also show a little more courage and do something to reduce the heavy customs duties from which the country is now suffering. Last year he brought in a reduction of two annas a gallon on petrol, and he was justified in doing so by the added receipts he got last year. In pressing for a reduction of the customs duties on necessities, I feel that there is some necessity for a general reconsideration of what are luxuries. In particular I press for a reduction of the customs duties on necessary clothing, cheap motor cars, patent medicines and tinned foodstuffs. I believe that if the Finance Member would give serious consideration to this question he will find that his revenues will not decrease but will increase; and so far as clothing is concerned I am more or less certain that there is a very considerable amount of smuggling now going on owing to the very high rates of duties.

With regard to the motor car, I have during the past year travelled over a large part of India and through many mofussil districts. Everywhere the motor car and the motor bus is coming into general use for transportation purposes and is helping to develop and educate the country, and the lorry also is coming into more general use for the purposes of commerce. But it has struck me how those who are running taxis and busses in the mofussil can ever make them a paying proposition. Some of the roads over which I have travelled are in an absolutely disgraceful condition. Once when I was travelling down in Southern India one hundred miles on a particular stretch was like a corrugated iron roof and I had a raw patch on my back by the time I had done that hundred miles, and I cannot understand how any motor traffic on roads like that can ever pay the promoters of those businesses. I welcome the suggestion which is included in the Taxation Inquiry Committee's Report that customs duties should be reduced in order that revenue from motor cars may be allotted to the development and upkeep of our roads. I trust, Sir, that the Finance Member will give very serious consideration to this question of high customs duties, because not only does it raise the prices of imported articles but it also raises the prices of clothing manufactured in this country, and whilst we are giving away the tax-payers' money in protection for essential industries and in relief to cotton millowners, I would like to raise a voice on behalf of the ordinary tax-payer that he too should get some relief in this matter of taxation. I feel fairly certain that a reduction, as I say, will lead to increase and not a decrease in our customs revenue.

And now, Sir, I would like to turn on this occasion to a discussion of the military Budget and military policy. There are several features of interest which have occurred during the year that are worth noting. The first was the very excellent manœuvres which were carried out this year by the Army at Rawalpindi, manœuvres which I understand were excessively instructive and exceedingly economical. In fact, I understand that they were far more instructive than the manœuvres which were held in England and infinitely less costly. While we congratulate the Army Department on keeping down the cost of these manœuvres and the cost of the military expenditure, I trust that this is not done at the expense of the pocket of the officer. I was travelling up by train with officers who were ordered as judges and umpires on these manœuvres and I was surprised to find that they are not treated in regard to travelling allowances with the same liberality as they are treated when on ordinary duty, and that in many

cases they are actually out of pocket in performing their duty. I would like also to refer to the despatch on the operations carried out by the Royal Air Force in Waziristan. It is a matter of considerable interest to note that these operations which were carried out by the Air Force were successful, and I would have liked to know what the actual cost of those operations was compared with the operations carried out by the regular army on previous occasions. It is a matter of considerable interest to us to know what is the cheapest form of defence and to see whether our Air Force needs development still more than it has been developed up to date. We, I think, in India, are lucky in that particularly we have a Defence Ministry, and therefore the jealousies between the various services of defence are not so likely to arise in this country as in England, and we would like to see our defence developed in the most economical and efficient manner that is possible. The Honourable the Finance Member the other day, I think, said that he was in favour of "military insurance at a minimum cost." That is a motto with which we would all be in sympathy provided he says that the insurance should be adequate. The last great war showed us how in Great Britain, at least, we have been burdened with very heavy taxation, because in peace time the tax-payer and the Government were not prepared to pay an adequate insurance, and want to be perfectly certain that our military insurance is adequate and efficient. I notice in his budget speech he alluded to the fact that "60 lakhs of rupees were to be granted for new urgent measures mainly of a non-recurring nature for the purchase of new equipment." Surely, Sir, our military services should not suddenly like this have to come to us for new equipment. Is it not then true that they have been deprived of their normal supplies of equipment and that therefore our army has not been properly equipped? I believe that not only have they not had enough equipment at all times, but in regard to "mobility" they are far from what should be the efficient standard. If we want to get any reduction in our military insurance, there is only one method by which you can get it, and that is to eliminate some of the risks against which you are insuring. And here again you come back to that old question of our frontier policy.

Another matter of considerable interest is the vindication which we have received concerning our policy in regard to Waziristan. Only last month, I think it was, that the Maliks of the Mahsuds and Wazirs entertained the Chief Commissioner to a garden party in their country, a sure sign that some of our troubles in that direction are over. I am one of those that believe that until we administer and fulfil our responsibilities to the people within our borders right up to our borders with Afghanistan, we shall not be able to make any material reduction in our military insurance

Pandit Sham Lal Nehru (Meerut Division: Non-Muhammadan Rural): May I know what you mean by we?

Colonel J. D. Crawford: I mean the country.

Mr. President: I was told that the Honourable Members on that side had decided not to take any part in the discussion to-day.

Pandit Sham Lal Nehru: You were wrongly informed, Sir, I never said so.

Colonel J. D. Crawford: That, I feel, is the policy that should be pursued by the House as a whole. I am one of those who think that in associating the peoples of the North West Frontier with their own Local Government lies a great opportunity for building up the strength of our frontier and in getting them on our side and eventually helping us to reduce our expenditure on military insurance. I urge on the House that we should continue this policy which is appearing to be successful, for there is little hope of any real reduction in our military expenditure until we find a satisfactory solution to the frontier problem.

Mr. W. F. Hudson (Bombay: Nominated Official): Sir, I rise for the first, and I hope the last time this Session, to make a few remarks, not, I fear, entirely favourable on this Budget. Seeing that I shall probably spend the whole of next week trying to persuade Honourable Members on all sides of the House to vote for every item in the Budget and every clause of the Finance Bill, it may seem a little curious that I should now propose to offer what I, at any rate, consider as decidedly damaging criticism. But the House will understand that on this occasion I am speaking as the representative of the Government of Bombay; and that the Government of Bombay finds this Budget a disappointing one, not so much for what it contains as for what it omits. Sometimes I feel, Sir, that probably no one has so much reason to be grateful for the re-arrangement of the seating in this House as my Honourable friend the Finance Member. In days gone by, as he doubtless well remembers, he was always confronted by a solid phalanx of able Bombay financiers, second to none, in capacity, in eloquence and in critical alertness. Sir Basil Blackett could hardly flicker an eyelid, much less quote a figure, without evoking a protest from Sir Purshotamdas Thakurdas or Sir Montagu Webb, or inviting the well directed criticism of Sir Chimanalal Setalvad or Mr. Jamnadas Mehta. They differed widely among themselves, that stalwart band of Bombay experts, on most subjects, but on this they were united, that the financial policy of the Government of India, though unsound in many respects, was most unsound of all in its treatment of Bombay. Well, Sir, owing to the exigencies of the party system, the phalanx is no longer there. Only Mr. Jamnadas Mehta remains, and rumour has it that, owing to circumstances over which he has no control, even he may not be with us next week. But, Sir, though under the new arrangements the Bombay Members have been scattered to the four corners of the House, and although some of us, like myself, have been undeservedly relegated to the back Benches, yet we are none the less united in heart on this question, and we hope to make our fire none the less effective though it will perhaps be less concentrated than it was in years gone by.

Now, Sir, let me begin by acknowledging the good things in the Budget before I pass on to less agreeable topics. Coming as I do from the Province of Sind and knowing the rich promise of the excavations at Mahenja-Daro, I heartily welcome the proposal to create an Indian Archaeological Fund, a proposal which, I am sure, will commend itself to all Members of this House who are genuinely interested in the history and archaeology of this country. Then, in the second place, we in Bombay are of course extremely glad that it is proposed to bury the cotton excise duty for ever, and we are specially grateful to the Governor-General for the exercise in this regard of the special power so wisely vested in him by the Constitution. I understand that the power of issuing Ordinances is not one which commands the entire approval of Honourable Members opposite, but I am sure my friend

Mr. Jamnadas Mehta, if he were here, would agree with me that the exercise of this power last December was a real godsend to Bombay. And I look forward with confidence to Mr. Jamnadas Mehta, if he is still here, accompanying me into the lobby when the time comes to confirm the Governor-General's action.

But, Sir, although the abolition of the cotton excise duty undoubtedly benefits the great mill industry of Bombay, and will, we all fervently hope, contribute to a marked revival of trade, it must not be forgotten that it brings no revenues (at any rate directly) to the coffers of the Government of Bombay. Sir Basil Blackett will doubtless get his reward in an increase in Income-tax, but the Government of Bombay will get absolutely nothing unless the Income-tax goes above a figure which is almost impossible at the present time, and which has not been reached since 1921-22. This Budget cannot but be a disappointment to us in Bombay, and that for two reasons. The first is, of course, that we still get no reduction in our provincial contribution of Rs. 56 lakhs. It is true that last year we did get a crumb that fell from the rich man's table and we were duly grateful for it.

The Honourable Sir Basil Blackett (Finance Member): Were you?

Mr. W. F. Hudson: Yes, Sir, I expressed our gratitude in the House last year. But this year, though the rich man seems to be richer than ever we do not even get a crumb. It is also true that this year the total amount of the provincial contributions is being considerably reduced, and we may begin to hope that one day we too may come within sight of the Promised Land. But, we cannot run an up-to-date and progressive Presidency on hopes, and whereas last year we budgeted for a deficit of Rs. 40 lakhs, we are this year in the still more uncomfortable position of being obliged to budget for a deficit of Rs. 60 lakhs. In other words, if our provincial contribution was entirely remitted, we should only just be able to pay our way, and in these circumstances we fail to see why we should not, at any rate for once, be given the "most-favoured-nation" treatment which has for 5 years been accorded to the province of Bengal. As the Bengal Government has never paid a pie of its contribution, Members from that Province have probably quite forgotten how much it was. So I take leave to remind them that their contribution was fixed at Rs. 68 lakhs, which is much the same as for Bombay. I do not of course know what my Honourable and eloquent friend from Bengal is going to say on this subject. Perhaps like a wise man he will lie low and say nothing (though this is not the way of Irishmen), but I do remember listening to the elaborate case put up by Mr. Marr last year, and after reading it again I do not think that any impartial man can see any sound reason for treating Bengal more favourably than Bombay. These two provinces are in financial difficulties for much the same causes—mainly causes beyond their control—and if the Government of India come to the rescue of the one year after year, it is surely not too much to ask them occasionally to come to the rescue of the other.

But, Sir, even if the Honourable the Finance Member could see his way to remitting the Rs. 56 lakhs this year, and even if the provincial contributions were wiped out altogether, as we all hope they soon will be, our complaint against the whole financial system would remain, and herein lies the main disappointment of the budget speech to us, that it gives no indication that the Government of India are any more alive to the inequities

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of the Meston Settlement than they were five years ago. Sir, I am as tired of talking about the Meston Settlement as Sir Basil Blackett is of hearing about it.

The Honourable Sir Basil Blackett: I am not.

Mr. W. F. Hudson: But I am afraid that unless we can see more obvious indications, of what is known in political circles as a "change of heart", are apparent in the budget speech, the Bombay Members will be obliged to go on talking about it. I am not going to repeat to the House the elaborate figures which Sir Chimanlal Setalvad and I gave it last year. But two things have happened since last year to which I will invite the attention of the House and of the Government of India. First of all, the figures for the past year continue to prove what we have always urged, that the Meston estimates of the expansion of the Bombay provincial revenues were so utterly wide of the mark as to be useless as a basis of calculation. During the first year and the second year of the Settlement we were told to be patient and that all would come right in the end. But the actual results are that every year we get further and further below the estimate. The past year has been no exception to the rule and I will venture to give the House the figures for this, the fifth year of the operation of the Meston Settlement. The Meston Committee estimated that in the fifth year, i.e., this year, our provincial revenues would have increased by Rs. 290 lakhs over the basic figure for 1920-21. As a matter of fact, in the fifth year, the actual revenue, under the main heads referred to, was Rs. 48 lakhs below the basic figure; that is to say, very nearly 350 lakhs below what they told us we could expect, and in the five years since 1921 the total revenues of Bombay under the main heads have been 12 crores less than the Meston Committee said we could reasonably anticipate.

The Honourable Sir Basil Blackett: Will the Honourable Member give the figures under each head year by year?

Mr. W. F. Hudson: An elaborate statement like that would take a very long time. (*An Honourable Member:* "Give it in the lobby".) Land Revenue, Excise, and Stamps are the three main heads. I will give the Honourable the Finance Member the figures afterwards. (*Mr. K. Ahmed:* "There is no other speaker, Sir.") As I said, we are 12 crores down, and I will ask the House to pause and consider what it means to a Local Government to lose 12 crores—how many high hopes shattered, how many splendid schemes deferred, how many schools and hospitals starved. Can any one be surprised that in season and out of season we are bound to go on pressing for a revision of this inequitable settlement, based as it was on such unhappy guess-work and producing in Bombay such unhappy results.

The second thing that has happened in the past year is that that eminent and industrious body of experts, the Taxation Inquiry Committee, has been looking rather closely into this question. I am sure that every Member in this House has read from cover to cover the interesting little volume of 450 pages which was the result of their labours and I will not waste the time of the House by quoting from it. But it is quite clear that they at any rate have been duly impressed by the fact that the allocation of the Income-tax to the Central Government and the

land tax to the Provincial Government presses unfairly on those provinces in which industries predominate. It is also clear that they have realised that Devolution Rule 15, which was intended to alleviate those inequalities, has conspicuously failed to do so. The Taxation Committee was specifically instructed that it was not their business to revise the Meston Settlement, and we cannot, therefore, be surprised that they made no concrete proposals. But we do hope that their lucid examination of this question will receive the very early and earnest consideration of the Government of India.

To sum up, Sir, the case for re-opening the Meston Award was quite a strong one in 1922, when it was first debated in this House; it was much stronger last year, and it is strongest of all to-day. Sir Basil Blackett has set many things right in our financial system since he took charge of his high office, and we in Bombay are full of hope that before he presents his last Budget he will tackle this burning question. I well remember his predecessor in 1922 warning us that we in Bombay, and I think in Bengal at the same time, were very ill-advised to seek a re-opening of the award, as the chances were that, if it was re-opened, the Government of India would get more than they had already got and that our last state would be worse than our first. Sir, convinced as we were of the soundness of our case, we were ready and eager then to take the risk. We are still more eager now. And the question which I wish to put to the Honourable the Finance Member in all seriousness is this: Are the Government of India equally ready?

Nawab Sir Sahibzada Abdul Qayum (North-West Frontier Province: Nominated Non-Official): Sir, my friend, Colonel Crawford's remark about the North West Frontier Province has given me an opportunity to say something on the subject. The problem of the North West Frontier has not attracted as much attention of this House as it deserves. It is only mentioned at budget time and on very few other occasions. But I think that it is a problem which should be seriously considered by this House once for all. The Frontier Province, as everybody knows, is composed of two classes of people, those living in the settled districts and those living across the border in the tribal area. As regards the settled districts, the question of the extension of reforms to them was before the House the other day and may possibly come up again, but as regards the trans-border area, i.e., the tribal area, the question is still a sort of sealed book to the House. My connection with the tribal area dates back a very long time and I think I can say something on the subject from my personal experience. The British Government have been doing all that is possible in tackling the problem. Expeditions after expeditions have been sent to that area to punish those found guilty of raiding or committing other serious offences in the settled districts or in the protected areas. That has cost India a lot of money. But there is another side of the question which to my knowledge has never been seriously considered and that is how to bring about a more peaceful life in that country. It has been occasionally suggested that effective power or control should be extended right up to the Durand Line. That is called the forward policy. I do not think I need say much on that point except this that if you extend your effective control up to that line you will not come across a more peaceful neighbour but will get for your neighbours people who will be as troublesome as your present neighbours in the tribal area.

[Nawab Sir Sahibzada Abdul Qaiyum.]

It will not also be an easy thing to extend effective control up to that line. The House may perhaps know that there is a population of half a million armed men, good fighting people, in those regions and a very huge expenditure will be required to bring about a real and effective subjugation of that population. You will have to disarm them first, and when that is done you will have to educate them and enable them to find peaceful methods of earning their livelihood and then, say half a century later, they will be demanding reforms, I should think, and will perhaps be experiencing the same difficulty in getting them, as is being experienced by us in the settled districts! The forward policy has lost its value in more than one way, which need not be enumerated here and I do not think that the extension of an effective control in that area will be wise. As regards the close border policy, that is, withdrawing from that area altogether and finding a sort of natural border between the settled districts and the tribal area, that, again, is a question which cannot be raised so late in the day. We have extended our responsibilities and committed ourselves to certain undertakings in the tribal area and we cannot in honour withdraw from that area and do away with those responsibilities. I think the present state of affairs does not justify the withdrawal of our agencies from those areas altogether. We have to make the best of the present position. In war time there is always the fear that if a change of policy is made it will be attributed to the weakness of the British Government, but now luckily we have a fairly peaceful time on the Frontier and things are as quiet and as peaceful as they can possibly be under the present circumstances. I therefore consider that this is the best time for introducing a new policy, for introducing a new experiment, something different from what we have been doing in the past. That experiment, to my mind, is worth trying and it is the experiment of extending education in that area.

Baba Ujagar Singh Bedi (Punjab: Landholders): The Honourable Member probably means by introducing reforms.

Nawab Sir Sahibzada Abdul Qaiyum: I do not mean reforms but only education, not the ordinary school education, the literacy or book reading test, or the test of passing examinations and getting degrees, but some practical system of education by which the people will not only learn the peaceful ways of settling their disputes and earning their livelihood but also of becoming good neighbours and friendly allies.

Baba Ujagar Singh Bedi: Better affiliate that Province with the Punjab.

Nawab Sir Sahibzada Abdul Qaiyum: The Punjab I am sorry to say does not set a very good example before us just now.

Baba Ujagar Singh Bedi: You were already part and parcel of the Punjab. Since the separation things have not improved in the North West Frontier Province.

Nawab Sir Sahibzada Abdul Qaiyum: The Punjabis are quarrelling very much among themselves and have their daggers drawn at each other's throats and we do not want to associate ourselves with them.

Baba Ujagar Singh Bedi: Then you want the same sort of reforms which have been the genesis of strife and feud in the Punjab and other provinces.

Nawab Sir Sahibzada Abdul Qayyum: My Honourable friend is perhaps mistaken that I am trying to get the reforms extended to the tribal area.

Baba Ujagar Singh Bedi: I have nothing to say for the tribal area since I am neither a Warden of the Marches nor do I hold a brief for them.

Nawab Sir Sahibzada Abdul Qayyum: I did not mean the extension of the reforms but the extension of some sort of education by which they may learn to live peacefully among themselves and earn their living. That education is practicable. Instead of wasting or spending money on keeping a very large number of troops among them and raising militias for the purpose, if we only spend the cost of one militia corps on imparting practical education to these people I am sure that will do them a lot of good. I need not go into details as to what form those measures should take but I mean something like the opening of new waterways, new canals and new agricultural lands in their own country. They have got plenty of waterways and plenty of waste land and if they can be given expert opinion and some financial help, they may be able to find means of living peacefully.

Diwan Bahadur T. Rangachariar (Madras City: Non-Muhammadian Urban): Are they independent tribes or are they our subjects?

Nawab Sir Sahibzada Abdul Qayyum: That is a question which I wanted to avoid, but since my friend has brought it in, I should like to put that very question to the Government Members here to answer. My own idea of the problem is that if they are within the British sphere of influence, as we call it, and if the boundaries of the Indian Empire extend to the Durand Line, then whether we can apply the words "British subjects" to them or not, India is responsible for the welfare of those people. If you are not inclined to include them within your sphere of influence, you may as well say so and get rid of them. You will be really breaking some solemn promises which you have made to them, while I am not sure if they will be very sorry to be freer still. However, as they are at present, they have to be looked after and their interests have to be considered to some extent. As I was going to say, large sums are spent on them. On a rough calculation, since 1919, something like 40 crores have been spent in operations in Waziristan alone and large numbers of troops have been employed there. Things have been fairly quiet there for sometime but there is no guarantee of their being quiet for ever. With these arms and ammunition in their possession you cannot expect them to be always so peaceful. You must devise some more permanent means of bringing them to peace, than the ordinary scimitar that you hold over their heads and of keeping them in subjection with the use of arms. Spend the interest on these 40 crores, say 2 crores, on these people and you will have found some permanent remedy for the disease. When the Maharaja of Mysore came on a visit to the Khyber, I had to take him up the Pass to Landi Kotal and the first question he put to me was what we were going to do for these people. I referred to the allowances we were paying, to the labour we were providing and to the other means of earning a livelihood that we were finding for them. He said that these were only temporary measures and asked how we were going to find a more permanent solution of

[Nawab Sir Sahibzada Abdul Qaiyum.]

the question. Any man who goes up there will put you the same question. You have been appointing commissions for this and for that, but you have never thought of appointing a commission to investigate and inquire into this most important question. Consult the people on the spot and arrive at a definite decision on the question and formulate a permanent policy for this Frontier. You have not even got an official reference book on the subject and, as I have said before, it is a somewhat closed door policy there. These people are something like a millstone hanging round your neck and you have never thought of finding a solution for removing that heavy burden from the shoulders of the tax-payer. Unless you do that you will find this sword ever hanging over your heads and it will be continually putting you to enormous expense. I hope you are not keeping that area as a sort of training ground for the Indian Army. I do not believe that is the idea either of the Government or yourself, *i.e.*, that you should keep certain people armed in order to train your army in mountain warfare or trans-border warfare. If you really want to do them good and if you really mean to do so, the best solution will be to educate them by some missionary and propaganda work. You need not necessarily open new schools for them but should teach them in some manner how to settle their disputes among themselves by arbitration or by their old *jirga* system, and earn their livelihood by peaceful methods, of course, always keeping behind the force that will be necessary to support the verdict of the majority. It is not good for a great civilised power to sit next door to them and see them fighting among themselves. You cannot shut your eyes to that state of affairs on your border. You howl in this House when a small riot takes place in which one or two people are killed and a few injured, but only next door to you, armies across the border are fighting among themselves and killing one another by hundreds and thousands and you never shed a single tear over the miserable plight of these people. It is inhuman and if you are not really bound to them by any agreements, conventions or treaties, even then as neighbours and civilised neighbours, it is your bounden duty to give them assistance in every way. My advice to you will be to find some money for expenditure, not for raising militias and armies in that country, not even necessarily for spending it through the official agency, but to provide, by private means, an organisation for sending instructors and teachers there, not only to teach them the elementary science of writing and reading but also to give them some technical education and bring them to a sense of good citizenship and good neighbourship and this will help you more than anything else, in relieving the tax-payer of the heavy burden of expenditure on these frontier expeditions and you will have earned the gratitude of the suffering humanity of the frontier.

Dr. S. K. Datta (Nominated: Indian Christians): Sir, now for a period of nearly two and a half years I have represented a particular interest in this House. I do not think, Sir, that I have intruded on the notice of this House—and I felt justified in not doing so—the particular interests of my community. Sir, I have said on other occasions that the community to which I belong may be classified among the great consuming communities of India. We have been drawn from all classes but particularly from the oppressed and depressed classes of this country and the movement which has made my community—and the community is increasing approximately at the rate of a million every ten years—shows that deep down there must be unrest, the unrest that comes

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from not having the things of this world. The community hopes that its problems can be solved by educating themselves better, by making themselves prepared for the wider life of the country. Now, Sir, to a community of this kind what is of the greatest importance? Food, clothing, housing, education—those are the things that matter above all to them. We look with anxiety at experiments in this House to raise the cost of living. The experiments, the economic experiments, for which this House is responsible seem to make it more difficult for communities such as ours to establish themselves. What have we done in the last two years under the advice and guidance of the Honourable the Commerce Member? We have increased taxation under the head of Customs by something like 2 crores and 10 lakhs. Out of those 2 crores and 10 lakhs we pay to particular interests something like 180 lakhs in bounties. Now, I do not ask that we should go back on these experiments in Protection but I merely desire to place before this House the anxiety with which we as a community look into the future, to the increased cost of living due to an increase in our customs and an increase in our tariffs. Policies such as these are bound in the long run to have a retarding influence on the progress of those communities which do not get adequate representation—I do not mean in numbers—but whose voices are so rarely heard in a House such as this. Now, Sir, this is a matter of primary importance. We believe that we ought to keep down the prices of food. Some of us have opposed the raising of the salt tax. We desire that the salt tax should come down lower; in the second place, Sir, burdens like the income-tax whose incidence on communities such as ours is particularly heavy. Last year I made the suggestion that at least the first Rs. 2,000 of all incomes should be free from income-tax. If a man gets Rs. 5,000, let him pay income-tax on Rs. 3,000. We ask that the first Rs. 2,000 should be free of all income-tax. Sir, with regard to our tariffs, I fear it is impossible, I know my ideas will be greeted with contumely in this House, but I wish we could get rid of the Tariff Board. I do believe that the Tariff Board is a direct incitement to certain minute but powerful groups to ask for particular favours. We have initiated a policy of protection; let us wait for the next 7 years to see how that particular policy and the present experiments under it are going to work out—we are not at all sure how it is going to work out—and when we are sure that the experiments have been successful let us then and only then go forward; but until then we should undertake that as far as possible we shall not make any further experiments in this particular policy.

Now, Sir, there is another matter to which I desire to make reference. It concerns a comparatively small matter of 33 lakhs which appears in our budget under the head of the Ecclesiastical Establishment. Now, Sir, in 1924 the expenditure on the Ecclesiastical Establishment in India was 24 lakhs of rupees. In 1925-26 the revised estimates were 30 lakhs of rupees, and I see to-day in the demands we are asked for 33 lakhs. I do not quite know why there has been this increase in expenditure, whether it is due to a sudden accession of religious virtue among the European Christian servants of the crown, or whether more money is necessary to soften the stony ground of their hearts in which the good seed may find root. But whatever it is, I desire to know why there has been this increase of expenditure. In the second place we have certain very definite recommendations from the Retrenchment Committee with regard to the ecclesiastical expenditure. Have those recommendations been carried out? We would

[Dr. S. K. Datta.]

like to have more information about that also. We were told that certain chaplains of the Anglican Church and certain chaplains on the Scottish establishment should be reduced. Have those Establishments been reduced? Further, there are certain general considerations regarding the Ecclesiastical Department to which I shall refer. I am told that Government have, and quite rightly, said that they have a duty to the Army in India. Now religion in the Army is part of the programme of discipline; whether it should or should not be is another matter, but there it is, and if we are going to have an Army apparently a certain modicum of religion must be put into it, and Government say they desire to make provision for that. Well, we accept that. Let us pass on to the European Christian servants of the Crown, to whom apparently Government are responsible for providing religious ministrations. Government have however undertaken even wider responsibilities. They provide religious ministrations for the ordinary European civilian population and in places where the people themselves can afford to pay for them. For example in the city of Calcutta we have several churches. Some of the churches are dependent on the bounty of the European community, particularly the unestablished Scotch churches. I happen to be a member of one. Now our church pays its minister; it pays another minister to look after the spiritual welfare of European crews on the ships in harbour; it further pays a contribution towards the spiritual ministrations to the Scottish people working in mills on the Hooghly. All that the church does it pays for itself. In addition it employs a Tamil minister for a Madras Christian Congregation in Calcutta. All this comes out of the pockets of those people who are supporters of that church; and yet you go to the Cathedral at Calcutta—a congregation far richer, far more able to support their ministration—and what do you see? From the Chaplain in charge down to the *mali*, I think, all comes from the State.

The Honourable Sir Basil Blackett: No.

Dr. S. K. Datta: Is the *mali* denied his wages by the State or the chaplain in charge? Well, Sir, that is a matter which I feel ought to be investigated. There are places where savings, and big savings, can be made in the Ecclesiastical Establishment. There is further another question, a question of fundamental principle to which I feel I must refer. There are roughly 100,000 European members of the Anglican Church in India; in addition there are 30,000 Anglo-Indians of the Anglican Church in India; and there are 400,000 Indian members of the Anglican Church in India. In other words, Indians in the Anglican Church number more than the other communities put together. Now, Sir, I turn to the Government of India Act, to which I hope I will never refer again when the matter of Ecclesiastical Establishments are being discussed in this House. The Act lays down that the Bishop of Calcutta is the Metropolitan in India, "subject nevertheless to the general superintendence and revision of the Archbishop of Canterbury" (section 115, sub-clause (2) of the Government of India Act). Now, Sir, with regard to this particular section of the Government of India Act, what does it mean? It means that you have placed the control of a Church which is overwhelmingly Indian under an authority completely outside India and in fact under secular authority. There is no ecclesiastical freedom. You cannot consecrate a Bishop without the permission of the Crown. Every Ecclesiastic authority in India desires

a change but we have no indication what changes the Government of India are proposing.

An Honourable Member: Support it.

Dr. S. K. Datta: Every Bishop in India is compelled to take an oath of allegiance to the Crown. I say that the whole theory of this is ancient and antiquated and I may say unfaithful to the early church. The Anglican Episcopate in India was founded under the Charter Act of 1818. It included in the Ecclesiastical Province of Calcutta the whole of India, the whole of the Cape of Good Hope, and the whole of Australia. Now what happened to that enormous diocese? It was broken up. The Cape of Good Hope became ecclesiastically free, and Australia also became free. Ceylon also became free, all these places broke off and became free, and still 118 years afterwards we in India continue, almost as we did in the year 1818. Sir, I would like to know from the Government of India what changes in the status of the Anglican Church they propose to recommend to Parliament. We are told that there will be a change. When is that change coming? We want to know about that change. Somebody mentioned the Indian Church Measure. That is immaterial to this discussion which concerns certain sections in the Government of India Act. The Indian Church Measure is immaterial to this discussion.

The Honourable Sir Basil Blackett: Why?

Dr. S. K. Datta: Because we simply ask for freedom for the Anglican Church.

The Honourable Sir Basil Blackett: I thought you were saying "immaterial to the Budget".

Dr. S. K. Datta: I did not say "immaterial to the Budget". Sir, these are some of the matters to which I direct the attention of the Government. It is not possible for us to press these matters at a later stage, the ecclesiastical expenditure is non-votable. But I do hope that we will be enlightened regarding the future of the Ecclesiastical Establishment in India.

Captain Ajab Khan (Punjab: Nominated Non-Official): Sir, the dead silence on the opposite Benches persuades me to get up and make a short speech, as we know that when they are in the field, we have no chance of coming forward. I must congratulate the Honourable the Finance Member on the sound position of Indian finances. The avoidance of debt, the surplus, the reduction of the provincial contributions, all these stand highly to his credit. Sir, the army expenditure, which has been so often complained of as being very high, is I think quite safe in the hands of His Excellency the Commander-in-Chief, who takes such great pains in efficiently maintaining the army; and every pie that is spent on the Army is to the advantage of India. But one thing, Sir, I hope His Excellency will kindly look into and it is this that in the Indian Army Service Corps there was some Indian element introduced of late, and I hope that that Indian element will be expanded and increased instead of being done out of it. Then with regard to the number of Indian cadets that are sent to Sandhurst every year from India by His Excellency, I hope His Excellency will consider the desirability of increasing that number, as we have been for the last four or five years stationary at

[Captain Ajab Khan.]

that number of ten, and even those ten have never been sent in full. Sir, I heard from my friend, Colonel Crawford, and there was a hint in the Finance Member's speech too, that they wanted to reduce the import duty on petrol which is a luxury for the rich. But we want other things to be improved with this money rather than to decrease the finances. I refer to the want of communications in the rural areas, where we can hardly get a track to ride a horse to get to our villages. The second point is that the postal services in the rural areas have remained stationary since 40 years back. The rates of postage have been increased, Sir, but we have got no better services than we did 40 years ago. I used to be a school boy 40 years ago, and then I used to get my post twice a week. I am still getting it twice a week in the villages; so I do not know how to appreciate the very satisfactory annual reports of the Postal Department about so many parcels having been carried and the service having been made efficient. I do not know how that can apply to the postal service in rural areas, and I hope the Honourable Member in charge of Posts and Telegraphs will take the case of the rural areas into consideration and improve the postal services in the rural areas as well. With regard to the contributions from the provinces, I see that Bengal is really fortunate in the shape of having a permanent settlement, whereas in the Punjab and in the other provinces we always have periodical settlements and the land revenue is increased by 20 or 30 per cent. and some times more. Still, when it comes to the wiping off of the provincial contributions, we do not get equal treatment with Bengal. I wish to commend the case of the Punjab very strongly, Sir, because in the Great War the Punjab was the foremost province for offering a large number of recruits for military services to the Government in time of need, but with all that, we are not better off than any of the other provinces. I will say a word in the end on the reforms for the Frontier Province (Laughter), about which there is so much agitation in that province that most of the Members I think and the Foreign Secretary will be getting volumes of correspondence from the people, and even those few who were said to be against the grant of reforms have thrown in their lot with those who are asking for reforms, and I do not think that any pretence of the so-called oppression of the "minority" by the "majority" will keep back the Government from giving the over due reforms to the Province. With these remarks, Sir, I close my speech.

His Excellency the Commander-in-Chief: Sir, it is with considerable diffidence and hesitation that I rise to take part in this debate, for I realise that having been brought up among soldiers and having never been fed on figures, I cannot hope to intervene in a budget discussion with any real advantage. The Honourable the Finance Member also has given us such complete information regarding the military estimates that I feel that there is no necessity for me to enter into any details regarding them, and as a matter of fact, Sir, there really is not anything of great interest which I can tell the House at the present moment, because during this last year our military policy has remained unchanged and the whole current of military affairs has run smoothly. As we know on either side of India this has not been the case. Strife has taken place—strife and discord; and in contrast to that, we in India have been able to carry out our wishes regarding economic reforms undeterred by military activities. We all of us know very well from our experience of the East that it is impossible to tell how long that state of affairs may last, whilst we must also realise

how quickly troubles beyond our borders may react upon us here in India, and it will never do for us to allow ourselves to be lulled into a state of false security.

I would like to say as regards the Frontier that I agree with the remarks which just fell from Colonel Crawford in attributing the comparative peace which has taken place within our border to the proved success of our Waziristan policy. (Applause.) I feel that it is a result of that policy that raiding into our settled districts has more or less entirely ceased, a matter which, I am sure, Honourable Members will all agree is as satisfactory as it is remarkable. I may mention that our recurring expenditure in Waziristan has continued to decrease, while the conditions in which our troops are housed—they are housed only to a certain extent still—but the general conditions under which they are living, have sufficiently improved to enable us to rather modify the concessions which have been granted to the troops serving in Waziristan.

The Honourable the Finance Member told us that the last of the definite recommendations made by the Inchcape Committee has been carried out, the third of the British cavalry regiments having left India during the present trooping season without being relieved. He also told us that the military Budget, which stood at 87½ crores in the year 1920-21, has now been reduced to less than 55 crores in the year 1926-27; but there is another figure to which I would like to make a reference when I mention those particular figures, and that is the figure of 50 crores, to which I find allusion made both in the papers and in speeches as the limit at which military expenditure should stand. What I would like to say in this connection is, that that figure was mentioned by Lord Inchcape as a possible maximum for military expenditure, but my distinguished predecessor, the late Lord Rawlinson, after great experience as Commander-in-Chief, not only found himself unable to accept that figure—and I would like to say here how very gracefully, I think, the Finance Member referred to the efforts made by Lord Rawlinson to reduce expenditure (Applause), I can assure the Finance Member that the Army generally is grateful for the words he used regarding our late Chief—Lord Rawlinson, however, not only found himself unable to accept 50 crores as the figure to which military expenditure might hope to fall in the near future, but further than that, he placed on record the fact that he considered, that when the revenues of India were capable of granting further aid to military estimates, that items which he reluctantly had to reduce, should be restored to the military Budget; also I think possibly all Honourable Members do not realise, that Lord Inchcape when mentioning 50 crores as the maximum of military expenditure, definitely stated that he realised that Government could not expect to reach that figure, unless there was a definite fall in prices, and no such fall has taken place. Further, the Inchcape Committee also stated that they did not consider that we could reduce our estimates to 50 crores unless there was a further reduction in troops and they were unable to make any such recommendation. I think therefore that we may take that recommendation about 50 crores as a pious aspiration or, to use a word which I do not quite know why, but has become popular of late, a "gesture" towards decrease of expenditure. In saying that, Sir, I trust Honourable Members will not jump to the conclusion that I do not wish to see military expenditure reduced. I think there is often a general idea that all military men are spendthrifts and profligates. I would assure you that that is not the case. We are taxpayers as you are. We, military men, have many ambitions, but

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never have I come across one, whose ambition is to pay higher taxes than are inevitable; while every one of us wish to share with our fellow-citizens in reaping all the advantages of improvements in our economic life, and such advantages as may be brought about in the general state of living by the allocating to civil purposes of funds which now are necessary for military purposes. As a matter of fact we get down to the fact that one has to decide what is the minimum premium one has to pay for our national insurance.

It is certainly well to keep before us a definite figure as an ambition which we may hope to achieve in time, and for that purpose I think we might recognise 50 crores. I should like however to point out that it does not seem possible to reach that figure in the near future. Let me again emphasise the fact that we have reduced our military expenditure by 32 crores during the last six years.

I personally, Sir, am constantly looking around to see where reductions can be made, but I feel that I should be failing in my duty were I ever to make a recommendation for the same, either at the risk of the safety of India or at the expense of the well-being, the efficiency and good health of our men. (Applause.)

I wonder if the House realises that pressure is so often brought to increase our military expenditure, pressure which appeals to me possibly more than to most people, due to my very long friendship with men in the Indian Army. Only a day or two ago I happened to be inspecting in the New Cantonment, and as is my custom, after inspecting the Regiment, I got all the Indian officers together to sit down with me. I asked them to open their hearts and to tell me what was in their thoughts, what were their wants and if the shoe was pinching anywhere. When I do that, I often see a brightening of the eyes, and almost hear a whisper going round:

"*Monasib moca agai.*"

"Here is the chance. What can we get out of the General Sahib, or the Jungi Lat Sahib?" On this occasion a young Muhammadan officer got up and said to me: "*Gharib nawaz, ham loge bahut sal se apka nimak khate hain, aur teen char push se, Sirkari fauj ki nokri karte hain. Is sabab se ham bilkul gharib ho gai, aur ropea bilkul nahin jama kar sake.*" I asked him what he had in mind when he said that nearly all of them had large families and as they found themselves unable to save anything during their military service, they felt it was up to Government to give free rations not only to themselves but to their wives and families. Out of the corner of my eye I could see the old Subadar Major making vehement signs to him to keep quiet, but as I had gone there to hear what they had in their minds, I refused to let him be silenced. He then went on enlarging upon the difficulties they had in making the two ends meet. I am afraid I was not able to give him much comfort. I could only say with regard to the grievance of large families, that possibly if they had smaller families the difficulties would certainly be less. As regards giving them free rations, as that would come up to the cost of maintaining several regiments in rations, I feared they would have to wait till the Greek Kalends, before the Sirkar could become a philanthropic society to that extent. Then an old pensioned daffadar of the cavalry got up and he said to me "Sahib, I retired some years ago on a pension of Rs. 84 a year. Lately my District Board have come down upon me and assessed

me Rs. 4 for 'Hisiyat' tax." I must say that it struck me as very hard that his poor little pension of Rs. 7 a month should come under the evil eye of the tax collector and 5 annas a month be deducted from him. As a matter of fact, I understand that it is not the intention of the Local Governments that such incomes should be taxed and I am representing this case in the hope that it will receive sympathetic consideration.

The House may possibly care, Sir, to hear roughly what reductions have been made of late years. Before the war we had out here 9 British cavalry regiments. They have now been reduced to 5. Before the war we had 52 British Indian battalions which have now been reduced to 45. We had 11 batteries of Royal Horse Artillery before the war, which have now been reduced to 4. In the Indian Army we had 39 cavalry regiments which have now been reduced to 21. We had 126 battalions of Indian infantry exclusive of Pioneers which have now been reduced to 100 in India. Hardly a month goes by, when I do not receive representations and petitions from many classes of men whom we were able to recruit in days gone by, but who now either go unrepresented or have very fewer opportunities. Only quite recently I have had representations from the Mohials, Khatri Sikhs, Gujars, Gour and Kahuta Brahmans, Sayads, Janjhas and others, and as when these representations are made to me they often come from men who have served with me, or men whose fathers and even grandfathers have served under me, you can realise with what deep regret I have been unable to hold out hopes for them. I have only been able to point out that, by the grace of God, we were victorious in the last war, and, having been so, it is naturally impossible for us or for any other Government to go on keeping up the large army we used to have, and to expend the enormous sums that we did for military purposes, when we require every penny we can lay our hands on for the general advancement of the country economically. I must say that my remarks have not always given much comfort to them. As a matter of fact, we have in view still further reductions. Honourable Members possibly may not realise the fact that we have serving outside 6 battalions which are being maintained at the expense of the Imperial Government. As each of these battalions returns to India without being replaced, we have to reduce a battalion from the Indian army. We are now making a commencement with this in that we have come to the conclusion that it is possible to reduce the battalion, a portion of which we have up to now had in the Persian Gulf. We find that we can efficiently provide these detachments at a much less cost by consular guards. On return of these detachments to the headquarters of the battalion, that battalion will be demobilised. On the return of the next battalion from Iraq without relief, another battalion will be demobilised, and concurrently with it, a training battalion, which means a definite saving in the army Budget.

There is one other quite small item of expenditure which has been affected and which, I think, the House would like to hear. Last year we found, owing to the great efforts made by our medical and regimental officers, admissions to hospitals from malaria were reduced by 9,200 men, giving a definite saving of Rs. 1,03,000. I am sure that Honourable Members will realise that there can be no form of saving which is better than that, showing, as it does, such a devotion to duty of all concerned. Personally, as an old soldier I sometimes hesitate to talk much about that, because I know from personal experience how very often, in spite of all our efforts, we suddenly get a very bad malarial year. Do what we can.

[H. E. the Commander-in-Chief.] .

malaria continues. On such occasions I have ridden out from cantonments to villages 10 or 12 miles off to see how the villages are getting on. On all such occasions I have found the villages decimated with fever, and the civil hospitals full to overflow. Talking about hospitals, brings me to barracks. I feel sure that there is no Member in this House who does not wish to see our men housed in as good barracks as we can possibly manage to get for them. When I look back and realise what the accommodation in most of our Indian lines was when I first joined the Indian army 40 years ago, I do indeed rejoice to see the state they are in now owing to a great extent to the efforts and determination made by the great chief under whom I had the privilege to serve 25 years ago, Lord Kitchener. Though a great many of our barracks are quite satisfactory, there are still a considerable number of them which are far from it. I believe I am right in saying that the whole moral self-respect and efficiency of men depend very much upon their surroundings. You will not get heroes if you give them hovels. I believe that if we can provide really good accommodation for all our men we shall raise their whole standard of life, and let us hope that when these men go back to their villages in large numbers yearly, they will also do their utmost to see that the standard of village life is also raised, and thus they will become good citizens of India generally. To provide for the reconstruction of the most insanitary and worst barracks we are allocating 20 lakhs for the next few years from sums which we have accumulated in suspense account by the sale of military lands and buildings which were no longer necessary for military purposes, and therefore we are not throwing any increased burden on our current revenues on that account.

Honourable Members are aware that last year we had a Committee sitting under the presidency of Sir John Shea, the Adjutant-General, to go into the whole question of the Auxiliary and Territorial Forces. I am sorry to say that we have not yet been able to come to definite conclusions regarding the Report of the Committee, as there has had to be a great deal of correspondence backwards and forwards with the Local Governments, and the Secretary of State has also had to be addressed. When however we do come to definite conclusions, I am hoping that we shall be able to carry out a considerable number of the recommendations made by that Committee. If further sums are required to improve the efficiency of these forces beyond what we have in the Budget, I am certain that I shall be able to appeal to my Honourable friend the Finance Member to allocate further sums, if necessary.

There is another Committee which is now sitting and the daily accounts of which we see in the papers. I mean the Skeen Committee. As the matter, however, is *sub judice*, I will not refer to it now.

I turn to one other subject, namely, the Royal Indian Navy, regarding which I had the privilege of making a statement in this House a few days ago. Since then Honourable Members would have had time, I think, to study the report on which the scheme is based and I trust they may have been able to come to the conclusion that the recommendations are sound and, on the whole, practical. But what I would like to emphasise now is the fact, which I hope Honourable Members do realise, that patience—I might say infinite patience—will be required before we can possibly hope to see an effective Indian National Navy in being. Let us remember that you cannot make a navy in a day or in a year or in a few years, and the

eventual success of this measure will lie in the hands of the people of India. I feel I am right in saying that no nation can hope to create a really good, efficient and successful naval force unless its people possess what I would call a "sea-sense". Some people and some nations seem to have that sense indigenous in them, or perhaps I ought to say it has become indigenous owing to generations of seafaring men among them. Other nations seem to be without this essential sea-sense. We know that out here we have on our Western and Eastern coasts a large number of seafaring men, men who have proved themselves to be staunch, brave and skilful sailors, who have proved themselves as such both in the old Indian Navy and now in the Indian Marine and the mercantile service. But this class of men is apparently almost devoid of education, higher education certainly, nor do they seem to have any ambitions to become educated. Our success however as regards a navy must, to a great extent, depend upon whether we shall get the right class of young men to come forward and subject themselves to the education, the training and the discipline which is necessary to form that character which is essential in naval officers. I feel there is going to be a great burden of responsibility on the leaders of Indian thought and Indian society in making the necessary efforts, and in exerting themselves to see that the right class of young men will come forward, and prove that they are capable of providing officers for a navy which will do honour to this country. As regards expenditure, we hope that the recurring expenditure will not be much in excess, for some years to come, of that which we now have to undertake to keep up our Royal Indian Marine. As regards initial expenditure, as Honourable Members will remember, a few years ago we sold the Kidderpore Docks in Calcutta, the money obtained from which was placed in suspense account, and we hope that what is available from that account will go a very long way to meet the initial expense in the purchase of ships for the Indian Navy.

There is only one more subject which I wish to mention before I sit down, and that is, I would like Members who do not realise it, and others outside this House to know, especially those who cavil at what they regard as the excessive military Budget, the fact that, the military estimates have to bear a considerable number of items which one cannot regard as items of true military value, or value for defence purposes. Some of these have only been transferred of late years to the military estimates to place them on a commercial basis; some of them represent items which in other countries are not included in their military expenditure, while some of them represent money which comes back to Government under other heads. I realise that expenditure on the items I have mentioned has to be incurred, but I would like to emphasize the fact that as far as purely defence purposes go these items might be removed from our estimates. The items I have in view are these:

| | |
|--|------------|
| Transportation, Post and Telegraph charges, the great majority of which are returned to Government through the Railways and the Posts and Telegraphs | 160 lakhs. |
| Audit and Accounts charges for the Army | 108 " |
| Special war pensions, which at Home are borne by the Ministry of Pensions and not by the Army | 110 " |
| Customs duty | 25 " |
| Stationery | 12½ " |
| Territorial Force | 28 " |
| Education | 9 " |

In mentioning that last figure, what I mostly have in mind are the Prince of Wales' College at Dehra Dun and the King George's Military

[H. E. the Commander-in-Chief.]

Schools which have recently been established at Jullundur and at Jhelum. I believe that those colleges are well administered and well organised in the interests of India by the Army authorities, and I am therefore quite prepared to continue to undertake the responsibility for them and to assure the House that we will look after them to the very best of our powers; but I think it is only fair that we should be given credit for the fact that the whole of our expenditure is not unproductive and that some of it at all events is of real national value to this country, but quite apart from the necessities of military defence. Only recently I had the opportunity of inspecting these two schools recently established at Jhelum and Jullundur. The former, as you probably know, is entirely for Mussalmans and the latter mostly for Sikhs, Dogras and Punjabi Hindus. We hope to have something like 300 boys at each of these schools. At present—they were only established last autumn—we have about 80 boys varying from 10 to 15 years of age. The orphans are admitted free; others we charge Rs. 7-8-0 a month, and we provide them with free uniform, free clothing and bedding and free food. In my round of the schools I was delighted with what I saw. I do not think you would wish to come across a more delightful, well set-up, happy lot of boys, sharp intelligent children who would do credit to anybody and warm any soldier's heart or any father's heart to see. If Honourable Members will do us the honour of visiting those schools, I can assure them we shall welcome them gladly, and welcome any criticisms they may have to make in regard to them.

Sir, I have detained the House much longer than I anticipated, but even then, it has naturally been impossible for me to go into all military details of interest, and I should like to say, if there are any Honourable Members present who would like to meet me individually or collectively, I shall be glad to meet them and to do anything I can to give them all the information I possibly can.

Mr. H. G. Cooke (Bombay: European): Sir, I am sure we are all very much indebted to His Excellency the Commander-in-Chief for coming down to this House to-day and giving us some very important information with reference to the Army. I only want to make one or two remarks on the subject of the military estimates, and they are these. His Excellency compared the expenditure figure of 87 crores in 1920-21 with the figure of 55 crores at which we have arrived to-day. The House will remember that the year 1920-21 contained military expenditure of an active nature, and I think, Sir, the real comparison that this House has to make is between the following year, 1921-22, when expenditure was in the neighbourhood of 70 crores, and the present day figure of 55 crores. Leaving out the special items, which the Finance Member separated for us, we have to remember that in the last four years, taking the ordinary establishment charges of the Army, the reduction has been gradual and satisfactory, the figures being:

56½ crores in 1923-24,

56 crores (nearly) in 1924-25,

55½ crores in 1925-26, and

a budget estimate for next year of 54½ crores.

There is one other matter in connection with the military Budget. There is another committee to which His Excellency

did not refer, and that is the committee called the Army Accounts Committee. The name sounds very uninteresting, but the subject that committee is going into is somewhat important. Members may know that this subject has created considerable controversy in England,—controversy as to whether each unit of the Army should take a financial interest in its affairs and watch the cost of its upkeep. The Lawrence Committee was formed and decided that that should be done, and a so-called system of cost accounts was carried out for, I think, about two years. Since the present Government came in that policy has been reversed and considerable criticism has resulted. To some extent the system is to be retained; certain units are still to keep accounts and find out what they are really costing the State, but ordinary regiments are not to do so. The matter is to go before the Public Accounts Committee in England and I hope the decision to do away with the cost system so far as regiments are concerned will be reversed. Now this is a subject which I believe the Army Accounts Committee is going into in India and I, as one connected with business and not as a soldier, consider that it is very essential that each army unit should have some knowledge of what it is costing from month to month and that it should keep some accounts to enable comparisons to be made between different units and, as a result, to ensure economy.

Sir, I am sorry we have had no fire from the opposite Benches. I am sure His Excellency would much have preferred to have replied to some of the criticisms which might be expected to come from them, but I understood from one interruption that an Honourable Member was going to speak at considerable length later on. Sir, I think in discussing Budgets, we are always inclined to look at one year and not to go back. We have, and very rightly, congratulated the Finance Member on the results disclosed this year. But if one makes a short review of the last 12 years one is reminded that we have had 7 deficit Budgets as against 5 surplus Budgets and that our deficits in those 7 years totalled over 100 crores against the surplus Budgets of 5 years totalling 82 crores.

The Post Office and postal rates is generally a very fruitful topic of discussion in this House and I see already on the paper an amendment of our postal rates. That subject has been very much thrashed out lately and I do not wish to refer to it further except to say that it is somewhat dismal to find that the profit of 17½ lakhs during the current year 1925-26 is expected to become a loss in 1926-27 of nearly 10 lakhs due to increased expenditure and increased interest charges.

Another subject which we have not heard mentioned to-day, or hardly heard mentioned, is the cotton excise duty and I am sure we all very much regret that that subject has been removed from these discussions; no one more so than the Finance Member himself. We shall have to find some other grievance because it would be quite impossible to carry on these debates without some star grievance of that nature.

Colonel Crawford referred to the customs duty on motor cars and tyres, and so forth, and has stated that he considers that those are necessities, which they really are, and that the 30 per cent. duty should not be retained. I cannot help thinking that that is one of the first items which should be reconsidered in connection with the reorganisation of the tariff, because although the yield from both the import duty on cars and tyres has gone up very largely in the 8 years from 1922-23 to 1925-26—in the

[Mr. H. G. Cocke.]

case of cars I see it has risen by 100 per cent. and in the case of tyres by 50 per cent.—yet nevertheless it seems to me that that increase might have been very much more had the duty been less; and one has always got to remember that the consumption of petrol and the duty thereon is going up every year with the increased use of motor cars. Motor cars are not luxuries and the poor—I do not say the very poor but the lower middle-class—are using them more and more every year.

I welcome the remarks which fell from my Honourable friend Mr. Hudson and I do not wish to go over the ground of provincial contributions again; but I should like to say that I hope that, because we have now made a start in reducing provincial contributions, it will not be assumed that that is enough, and that we can go on for the next few years until they are eliminated without considering further the revision of the basis of the contributions. It seems to me the settlement, which is known as the Meston Settlement, was made with very unsatisfactory materials to go upon. It is a settlement which no Province ought to wish to stand by, if the material on which the settlement was based has proved absolutely illusory, and I would suggest that it ought to be possible to get an independent reconsideration of this question. If the Province from which I come, Bombay, is treated more harshly than some others it is because, we believe, the material on which that settlement was based was unreliable and the conditions abnormal, and the result is a settlement which is most inequitable and ought not to be allowed to continue, even though the contributions have started to be reduced.

On the question of income-tax, I pointed out a year ago that there was a very heavy tax on the man who converted his business into a private company. Incidentally I should like to mention that a number of points made in the discussion last year were not replied to by Government. Everyone was rather weary on the second day of the general discussion and the Finance Member did not make a very long speech. I pointed out then that the private trader with a capital of 3 lakhs paid Rs. 39,000 in super-tax and if he converted his business into a company he paid Rs. 51,000. In other words, he had to pay Rs. 12,000 more per annum for the luxury of having his business as a limited company, assuming that he distributed the whole of his profits. I notice from the report of the Taxation Inquiry Committee that they do not take up this point at all beyond saying that the first Rs. 50,000 of profits which is allowed to companies to be free of super-tax should no longer be free, thus making the grievance rather more noticeable. It seems to me bad in principle that limited companies should be subjected to super-tax to such an extent in excess of the individual. The corporation profits tax has been done away with in England as being inequitable, and I think it is very unfortunate that it cannot be done away with here. Unfortunately the Taxation Inquiry Committee do not approve of the suggestion that super-tax on companies profits should be done away with. Reference was made last year to the question of the small trader escaping income-tax. I do not know whether the Finance Member can give us any figures to show to what extent small traders, who are believed to come within the income-tax limit, do pay income-tax, and to what extent they fill up their forms, and to what extent they are taxed summarily: whether these assessments from year to year are sufficiently expanded. If a man continues to omit to give figures or

accounts, the usual procedure is that he is assessed at a round figure and he has to pay that sum unless he can produce accounts and prove his assessment is excessive. A year later it may be essential that that assessment figure should be increased, and this process will go on until in the end, if you increase it sufficiently, he will be bound to produce accounts, and only in that way you can be sure that the revenue is not suffering.

Sir, the policy of the present Finance Member with reference to the Reduction and Avoidance of Debt is very well known, and I think it is one of the chief subjects of congratulation to him. Very great progress has been made during his regime with reference to this subject. I notice that the unproductive debt in proportion to the total debt is decreasing—the percentage has steadily gone down during the last four years from 28.9 to 23 per cent., which is a very material reduction. While these debt figures are all very interesting, I still maintain that it will be equally, or even more, interesting to know where that productive debt has gone. That again is a complaint against Government accounts as compared with commercial accounts. Take an item like furniture, which incidentally is not purchased out of debt at all but out of revenue. Year after year we are spending many lakhs on furniture; there is no cumulative figure given in our accounts to show what the expenditure on furniture has amounted to. As regards expenditure from productive debt, you are putting up irrigation works and so on; but there is no balance sheet figure and you cannot find what is the total expenditure under any particular head. We have not made very much progress in our commercialisation yet; of course it is a long road; but I thought we had passed the day when the Finance Member in his Budget speech would refer to a Balance Sheet, when what he was really referring to was no Balance Sheet at all, but figures setting out merely the revenue and expenditure and the surplus for the year

The Honourable Sir Basil Blackett: That is my Balance Sheet for the year.

Mr. H. G. Cooke: If the Honourable Member will kindly look at Murray's Oxford Dictionary in the Library he will find that a Balance Sheet is a statement of assets and liabilities.

The Honourable Sir Basil Blackett: That is in a company, but not in a Government.

Mr. H. G. Cooke: In the case of a Government we have not yet got a Balance Sheet unfortunately; but we hope that the day is not very far, and I believe in time public opinion will demand something more than what we get now in the shape of a commercialised Balance Sheet, not merely for Railways but for all departments of Government, to show really where the productive debt has gone.

There is one further point that I should like to allude to. I notice that the yield from postal certificates has gone up very steadily in the last four years from 3 crores to 6½ crores, but that in 1926-27 only 4 crores are anticipated. I believe this is due to the fact that we have reached the fifth year, and possibly heavier repayments are expected in connection with the certificates taken out five years ago. But in view of the statement in the budget speech that it is intended to popularise these and make them more purchased by the community at

[Mr. H. G. Cocke.]

large, I should be interested to know why a smaller yield is expected next year. I believe very much more could be done to make the sale of postal certificates popular. One suggestion I made last year, and which has not been adopted, was that the monthly figures of the various provinces should be published. During the war, an impetus was given to subscriptions to war loans by inter-provincial competition, and I should like to see every month in the newspapers a statement showing what has been the yield from each province in the preceding month. Postal certificates have encouraged a considerable amount of thrift in this country, but I think there is scope for very much more. I suggest to the Honourable the Finance Member in connection with his new scheme that he might perhaps get an aeroplane placed at his disposal by His Excellency the Commander-in-Chief and go round the country and have, not a War Loan Week, but a Postal Certificate Week, and make many speeches to induce large subscriptions to these new postal certificates.

I congratulate the Honourable the Finance Member on his Budget, which is an excellent and a sound one, and I hope that we shall have many more Budgets equally sound. But I hope also that it will be possible, instead allowing this continual criticism of the scheme of provincial contributions to go on until they are eliminated, that the matter will be taken up by an expert and independent committee which no one could say was influenced in favour of one province or another.

The Honourable Sir Basil Blackett: Sir, I realised when I introduced my Budget that it was a good one, but I did not realise that it had such devastating beauty that it was going to render every one on the Swaraj and Independent Benches speechless. Sir, I remember a story of an American and his wife who left their grown up family at home and travelled round the world. They went through Japan and China and the Straits Settlements and arrived in India. Even in America the lady had been talkative, but she was still more talkative on their travels. At last they came to Agra and saw the Taj Mahal, and the American sent a telegram home to his children saying, "Taj wins, Ma dumb". That, I think, Sir, is what my Budget has done.

Mr. M. V. Abhyankar (Nagpur Division: Non-Muhammadan): Do not forget that the Taj is a tomb.

The Honourable Sir Basil Blackett: The speech that I have to make to-day is therefore considerably simplified. I can imagine in other circumstances that there would have been a good deal more criticism than has reached my ears to-day. I thank those Members who have spoken and who have been kind enough to say kind things about me. There is very little left after doing that, and after the speech of His Excellency on the military Budget for me to answer. But I will endeavour to go through the various points that have been raised. I will deal first, while I remember them, with the points made by the last speaker, Mr. Cocke, who, as usual, gave a very interesting address, for which I am really grateful. He told us that in the case of cash certificates we could do more in the way of securing publicity by some inter-provincial competition. We did, as a matter of fact, in response to his suggestion last year, publish last October rather a full statement showing the contributions towards what we get from cash certificates province by province for a considerable

period. What I understand Mr. Cocke desires is that we should go a step further and publish these monthly and have a sort of monthly competition for our young people, which I think will be very useful indeed, and which I shall be very glad to follow up so far as it may prove possible. There are, I know, difficulties about getting these figures at all reasonably in time. As regards the figure that we have put into the Budget this year, it is very much the same figure as we put into our estimate of receipts last year. But in the event the income was greater than we anticipated. But this year I think we are bound to anticipate some falling off in the net receipts both on account of the increase in repayments, which to some extent we must look for, but still more in view of the fact that we contemplate reducing the yield. It will probably not very greatly affect the receipts, but we may probably reduce the total yield and we are bound to be cautious in our estimate. I would point out that these figures are part of our ways and means estimate and are not to be taken as so closely exact as some other figures.

Mr. Cocke always objects to my use of the word "balance sheet" but I believe that it is perfectly correct to use the word "balance sheet" of our Government accounts. It is not necessarily a commercial balance sheet and I dispute the claim of a chartered accountant to reserve the word "balance sheet" only for some balance sheet in accordance with the meaning in chartered accounting. But that is not, I think, a very serious point.

We have had a speech from Dr. Datta which need not, I think, be dealt with by me at any great length since I am dealing with the Budget, because he wandered off into rather different subjects. I may tell him, however, that there has been no increase in our expenditure on Ecclesiastical Services. On the contrary, there has been some definite decrease since the Inchcape Committee Report and we have been following up to the best of our ability the recommendations of the Inchcape Committee in that matter. It is largely due to the inclusion of expenditure in England under the same vote as the ecclesiastical expenditure, instead of under a separate vote, that the increased figure shown in the estimates arises.

Mr. Cocke also asked, I understand, about our productive debt. If he will look at the Finance and Revenue Accounts of the Government for 1924-25, recently published—Statement 82B—he will find set out there the total debt on the 31st March, 1925, and the total amount debited to each of the commercial departments. The productive debt is there set out under Railways, Posts and Telegraphs, Irrigation, Forest, Salt and Industries and very full statistics are given. Unfortunately, they are not quite so clear as they might be owing to the fact that exchange is included at 2s. But the figures are given there and if Mr. Cocke is interested, he can read them.

Mr. Hudson spoke for Bombay and other Members have spoken on the position of Bombay and on the question of provincial contributions generally. I am not in a position to make any promise at the moment in regard to the Government's intentions as regards provincial contributions. We have set before us as our objective the abolition of the provincial contributions at the earliest moment reasonably possible. But I agree with Mr. Cocke that that is not enough, that some revision of the arrangements arrived at in the Maston Settlement must ultimately take place, but how

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soon that can be done is not a matter on which I should like to prophesy. You have got a settlement and it is a very difficult thing to get a settlement, and a bird in the hand is worth two in the bush even to Bombay and Bengal. The House must remember that the worst sufferer in many senses under the Meston Settlement has been the Government of India. If we have been unable to reduce central taxation to any great extent and if whenever we do reduce central taxation we get into trouble with the provinces it is largely because of the Meston Settlement. You are in a very great difficulty in re-opening a question of that sort, so long as there is a large gap between the amount which the provinces claim, namely, the minimum amount that they would get under the Meston Settlement after the provincial contributions have been released, and the amount which the Central Government got, which is at the present moment more than Rs. 5 crores short of the amount that the provinces claim. It is obvious that if you are going to re-open that settlement at any particular moment you are in a difficult position when there are nine mouths wide open and there is rather a short amount of food to feed them. But the Taxation Inquiry Committee's Report has in that matter taken us a step forward. There is a very interesting chapter towards the end of that report dealing with the theoretical distribution of taxation as between the various taxing authorities and on one particular question we do feel that the time has come when an attempt should be made to take a step forward, namely, in regard to Devolution Rule No. 15 and the provincial share of the income-tax. We hope to take up that question during the summer. Whether we can arrive at a solution depends, I say, on the goodwill of nine provinces, all with divergent interests, all with interests divergent from that of the Central Government.

Colonel Crawford and others including Mr. Cocke spoke on the desirability of reducing the burden on the consumer, and particularly the consumer who is not very wealthy, that is imposed by what are called our luxury taxes and by some others among our customs duties. The four which were particularly mentioned by Colonel Crawford were motor cars, patent medicines, tinned foods and cheap clothing. I assume that he intends by cheap clothing to exclude artificial silk and silk stockings which have attracted the attention of the Chancellor of the Exchequer in other countries

Colonel J. D. Crawford: I said necessities.

The Honourable Sir Basil Blackett: I should not like to have disputes with the wife of any Member of this House whether artificial silk and other kinds of silk stockings are articles of necessary clothing. But I may say that of the articles mentioned motor cars are the only ones which are taxed at present on the luxury rate of 80 per cent. All the others are taxed at 15 per cent. except in the case of patent medicines which are spirituous. It is rather difficult at this moment to hold out any expectation of any reduction of the 15 per cent. rate which is the general tariff rate, in the absence of very strong grounds. At the same time I do recognise that these duties do increase the cost of living for people some of whom can ill afford any increase in the cost of living; and we did during the course of the winter go carefully through our tariff schedules to see whether there were any taxes on which we could propose reductions either in the hope that a reduction would bring us some additional revenue or

because reduction would not cost any very large sum but at the same time might bring considerable relief. The Tariff Bill which my Honourable friend the Commerce Member recently introduced dealt with some small items that came under scrutiny but we felt that for the time being any important reduction was not possible. As regards motor cars I do feel that there is something of a special case. The importance of communications is one which I think can seldom be over-emphasised. I was reading just the other day of a complaint. This was in an official file. A complaint had been made in regard to the condition of roads in a certain province. I do not want to be specific. After inquiry it was found that the complaint in one particular district was thoroughly justified and there had been an increase by two annas a maund in the cost of food grains in the market centre simply because of the additional time and cost in wear and tear required by the ox-wagons to cover these deteriorated roads. If you can have so important an effect on food grains in a local market as the result of neglect of your roads, it can be seen from that instance how a large portion of the cost of articles for the consumer at the place where they are consumed is dependent on the costs of transportation generally and on the existence of good roads, good railways and good forms of transportation all round. I very much like the idea mooted by the Taxation Committee that there should be a reduction to some extent of the duty on motor cars and that on the other hand something in the nature of a road fund should be instituted by the Provincial Governments. I am merely expressing an opinion at first sight after reading the report. It is not a matter which we have had time as a Government to study yet but it does seem to be an interesting suggestion. However, the motor car duty can hardly be said so far at any rate to have been unsuccessful, and there is another reason why for the moment a reduction in this and other duties would probably not be so opportune as it might be at any other time. There has been recently a very considerable fall in price and the effect of a change in the rate of duty when prices generally are falling is very much smaller than it is when they are stationary or still more when they are rising. For example, the average price for motor cars—that is, for cars and not for motor omnibuses—in 1921-22 was Rs. 5,993. That is the average price of cars imported in the year 1921-22. The average price in the first six months of 1925-26 is Rs. 2,135, a great deal less than half, very little more than one-third. So that, the actual amount of duty charged has fallen by very nearly 66 per cent. since 1921-22, although the rate has remained the same. That is not the moment when you can get the best effect out of a decrease of duty. I am however grateful to Colonel Crawford for raising this important point. It is a matter which we certainly must continue to keep in mind and to which we must pay attention.

Something has been said about the position of the Post Office, but I think Mr. Cocke put his finger on the true case when he said he saw with some disappointment that the surplus on the working of the Department as a whole in the year 1925-26 had been turned into a small deficit in 1926-27. That is unfortunately the position and it is difficult to see how we can for the moment take any useful steps to improve that position. We can hope that a return to prosperity in trade will increase at any rate the revenue from telegrams.

I do not propose to follow the speakers who dealt with our military problem and the trans-border difficulties beyond saying that I essentially agree that we want our military expenditure to be adequate, but not more

[Sir Basil Blackett.]

than adequate; and I disagree profoundly with Colonel Crawford when he suggests that the experience of the war shows that had Great Britain spent more on military services before 1914 she would have been in a better position now. If the Honourable Member will read what Lord Grey has to say on that subject in his recently published Memoirs he will observe that it was Lord Grey's definite view that increased expenditure on armaments by Great Britain in the decade before the war would have hastened the war. So that the argument that your insurance must be adequate is a very difficult one. No insurance is adequate against all possible contingencies. It is a matter in which you have to gauge the comparative value for purposes of insurance of having a large army, and the value of having a smaller army and a contented population and better economic conditions than if you were spending more money on the army. You cannot arrive at an absolute figure. But beyond saying that the insurance must be adequate it is not possible to say that the expenditure should be so and so.

I have endeavoured to deal with the various points that have been raised. Bombay's unconcentrated wrath against me does not, I think, require more than I have already said in regard to the possibility of a revision of the Meston Settlement. I should have liked to study the actual figures showing the reduction in the yield of taxation in Bombay, and I should like to know how far that was due to the deliberate policy of Bombay and how far it was merely the result of misfortune. I see that the House is now anxious to go to lunch. I should like to congratulate them all on (almost for the first time in my experience) having all made really businesslike contributions to the budget discussion. (Applause and Laughter.)

Sir P. S. Sivaswamy Aiyer (Madras: Nominated Non-Official): On a point of procedure, Sir, I wish to make a few remarks. Two days have been allotted for the discussion of this Budget, and I may explain that I was not a party to any conspiracy of silence. But when Sir Basil Blackett got up to speak I was wondering why he got up so soon for I was under the impression that he would speak to-morrow. However, I am not complaining of your procedure; I am only saying that I, and for aught I know my Honourable friend, Mr. Rangachariar, were misled by the fact . . .

Mr. President: The Honourable Member has made his position and that of his friend perfectly clear that they were no party to any conspiracy of silence. The Assembly will take note of that fact. No doubt two days have been allotted to the Members of the Assembly to discuss the Budget, but if they do not choose to avail themselves of those two days they have to blame themselves. The Chair is helpless in the matter. I called upon Sir Basil Blackett to speak when I found that no other Member was inclined to speak. I particularly looked at Sir Sivaswamy Aiyer to find out if he was willing to speak, as he had previously informed me that he would speak, but as I did not see any inclination on his part also to rise, I had no other alternative but to call upon Sir Basil Blackett, who had already risen, to give his final reply.

The Assembly then adjourned till Eleven of the Clock on Monday, the 6th March, 1926.