

# LEGISLATIVE ASSEMBLY DEBATES

---

MONDAY, 11th MARCH, 1929.

Vol. I—No. 26

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## OFFICIAL REPORT



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DELHI  
GOVERNMENT OF INDIA PRESS  
1929

*Price Five Annas.*

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# LEGISLATIVE ASSEMBLY.

*Monday, 11th March, 1929.*

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

## QUESTIONS AND ANSWERS.

### COST OF SESSIONS OF THE CHAMBER OF PRINCES.

937. **\*Mr. D. V. Belvi:** (a) Will Government be pleased to state if any public money is spent on the sessions of the Narendra Mandal (the Chamber of Indian Princes)?

(b) If so, how much was spent in each year since the inauguration of the Chamber?

(c) Are the sittings of the Chamber open to the Members of the Central Legislature and to the public?

(d) Is a journal of the proceedings of the Chamber published for the public?

(e) Why is not a copy of the agenda of the Chamber put up for information on the Notice Board of the Indian Legislative Assembly?

**Sir Denys Bray:** (a) and (b). Approximately Rs. 1,700 a year.

(c) Ordinarily yes, subject to the limitations imposed by the accommodation available and admission by ticket.

(d) No.

(e) Because the Chamber of Princes does not form part of the Indian Legislature.

**Diwan Chaman Lal:** May I ask the Honourable Member to say what justification there is for the Indian revenues to bear this burden?

(There was no reply.)

### NATURE OF CERTIFICATE REQUIRED FOR THE BOMBAY PILOT SERVICE.

938. **\*Mr. Jamnadas M. Mehta:** (a) Are Government aware that, while a second mate's foreign-going certificate is considered sufficient for entry into the Bengal Pilot Service, and a mate's foreign-going certificate for entry into the Karachi Pilot Service, and a master's certificate, either foreign-going or home-trade, for entry into the Rangoon Pilot Service,

and a master's or mate's certificate, either foreign-going or home-trade for entry into the Bassein Pilot Service, a master's foreign-going certificate only is considered essential for entry into the Bombay Pilot Service?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state why different standards of qualifications are laid down for entry into the different pilot services in India?

(c) If the present qualifications for entry into the Bengal Pilot Service, Rangoon Pilot Service and Karachi Pilot Service are considered sufficient, will Government be pleased to state why such standards of qualifications are not considered sufficient for entry into the Bombay Pilot Service?

(d) If the answer to part (c) be in the negative, will Government be pleased to state the reasons therefor?

(e) If the answer to part (c) be in the affirmative, will Government be pleased to state what steps they propose to take to see that the standard of qualifications for entry into the Bombay Pilot Service is brought into line with the qualifications required for entry into the Bengal Pilot Service, or the Karachi Pilot Service, or the Rangoon Pilot Service?

**The Honourable Sir George Rainy:** The information is being collected and will be supplied to the Honourable Member in due course.

#### NUMBER OF APPLICATIONS RECEIVED FOR ENTRY INTO THE RANGOON AND BASSEIN PILOT SERVICES.

939. **\*Mr. Jamnadas M. Mehta:** (a) Will Government be pleased to state how applications for entry into the Rangoon Pilot Service and the Bassein Pilot Service are invited?

(b) Will Government be pleased to state if it is made clear in the advertisements inviting applications for entry into the Rangoon Pilot Service and the Bassein Pilot Service, that the same are open to those who hold, in the case of the Rangoon Pilot Service, a master's certificate, either foreign-going or home-trade, and in the case of the Bassein Pilot Service a master's or mate's certificate either foreign-going or home-trade?

(c) Will Government be pleased to state the number of applications received from masters of foreign-going and of home-trade ships for entry into the Rangoon Pilot Service during the last 10 years, and the number of applications of masters holding the home-trade certificates accepted for that Service?

(d) Will Government be pleased to state the number of applications received from masters and mates holding foreign-going or home-trade certificates, (figures to be given separately), during the last 10 years, for entry into the Bassein Pilot Service, and the number of applications from those holding either master's or mate's home-trade certificates accepted for that Service?

**The Honourable Sir George Rainy:** With your permission, Sir, I will answer questions Nos. 939 and 940 together.

The information is being obtained from the Government of Burma and will be supplied to the Honourable Member in due course.



**QUALIFICATIONS REQUIRED FOR LICENSED AND SPECIAL PILOTS AT BASSEIN.**

†940. \***Mr. Jamnadas M. Mehta:** (a) Will Government be pleased to state if there are two different classifications of pilots for the Bassein Pilot Service, namely, (i) licensed pilots, and (ii) special pilots?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state the qualifications that are considered necessary for those who wish to join the Bassein Pilot Service as licensed pilots and those who wish to join the service as special pilots?

(c) Will Government be pleased to state the number of licensed pilots and the number of special pilots constituting the Bassein Pilot Service at present?

**REMOVAL TO THE BAZAAR GUARD HOUSE OF THE CANTONMENT OFFICE, BARODA.**

941. \***Mr. Jamnadas M. Mehta:** (a) Is it a fact that the Cantonment Office at Baroda has to pay a house-rent of Rs. 32 per month, out of which Rs. 28 per month were charged to the account of the Cantonment Magistrate's Court at one time?

(b) If the answer to the above question is in the affirmative, will Government be pleased to inquire why the Cantonment Office should not be shifted to the bazaar guard house? Is it a fact that this house is lying vacant and is large enough for the office purposes, if necessary repairs and alterations are made, and that no rent will have to be paid, as it is the property of the Cantonment?

**Mr. G. M. Young:** (a) Government have no information.

(b) I am not acquainted with the *pros* and *cons* of this matter. I think it may safely be left to the discretion of the Cantonment authority.

**REPRESENTATION OF THE PASSENGERS' AND TRAFFIC RELIEF ASSOCIATION ON THE LOCAL RAILWAY ADVISORY COMMITTEES.**

942. \***Mr. Jamnadas M. Mehta:** (a) Are Government aware that the Passengers' and Traffic Relief Association, Bombay, have repeatedly requested the Great Indian Peninsula and Bombay, Baroda and Central India Railway Companies to give representation to the Association on their Local Advisory Committees ever since the formation?

(b) Are Government aware that the Association is the oldest body of its kind in India and has leading Bombay citizens as its office bearers?

(c) Are Government aware that the Madras and Southern Mahratta and South Indian Railway Companies have given representations to similar Passengers' Associations?

(d) Are Government prepared to ask the Agents of both the Railways referred to in part (a) to give the Passengers' and Traffic Relief Association, Bombay, a representation on their respective committees?

**Mr. P. E. Rau:** (a) Yes.

(b) Government have no definite information about this, but are quite prepared to accept the Honourable Member's statement as correct.

† For answer to this question, see answer to question No. 939.

(c) Yes.

(d) I would refer the Honourable Member to the reply given by Mr. Parsons to Mr. Kelkar's question on a similar subject on the 27th January, 1927.

**PAYMENT BY THE BRITISH GOVERNMENT OF THE COST OF THE VISIT TO LONDON OF THE CENTRAL COMMITTEE ATTACHED TO THE SIMON COMMISSION.**

**943 \*Mr. Jamnadas M. Mehta:** (a) Is it a fact that the Central Committee attached to the Simon Commission has been invited by His Majesty's Government to be their guests in London? If so, will Government be pleased to state whether the cost of the journey of the individual members of the Committee from India to London, will be defrayed by His Majesty's Government? If not, why not?

(b) Will Government be pleased to state whether the hotel expenses and other expenses of the members of the Central Committee, during their stay in London, will be defrayed by His Majesty's Government? If not, why not?

(c) Is it a fact that this idea of invitation by His Majesty's Government to the Central Committee was initiated by the Government of India? If not, will they be pleased to state by whom and when was the idea initiated?

(d) Is it a fact that the members of the Central Committee forced the Government of India to initiate this idea of invitation by His Majesty's Government to them?

(e) Is it a fact that His Majesty's Government will bear the hotel expenses and other expenses of the Central Committee only for those days when they will sit in joint conference with the Simon Commission in London? If so, will Government be pleased to state the total amount of expenses estimated to be incurred from Indian revenues in connection with the deputation of the Central Committee in London?

**The Honourable Mr. J. Oserar:** (a) The answer to the first part of this question is in the affirmative. The answer to the second part is in the negative. The offer of His Majesty's Government to entertain the Members of the Indian Central Committee while in London for the resumed sittings of the Joint Free Conference involves no obligation to relieve Indian revenues of the expenses of their journey to England on the business of the Committee.

(b) and (e). His Majesty's Government have invited the Members of the Committee to be their guests for two months from the 8th June. Hotel accommodation will be provided for them for that period, and their hotel expenses met by His Majesty's Government.

A provision of Rs. 1,60,254 has been included in the budget estimates to cover the total estimated expenditure of the Committee in England. In addition passage expenses are expected to amount to approximately Rs. 29,500.

(c) No. The suggestion that the Committee should visit England for the purpose of additional sittings of the Joint Free Conference was made by the Statutory Commission and welcomed by His Majesty's Government.

(d) No.

**COST TO GOVERNMENT OF THE FAMILIES AND RETINUES TOURING WITH THE  
SIMON COMMISSION AND CENTRAL COMMITTEE.**

**944. \*Mr. Jamnadas M. Mehta:** (a) Will Government be pleased to state the names of each of the members of the Simon Commission and the Central Committee, with the number of members of their families and retinues that are travelling with them all over India? What is the extra cost on Indian revenues for the members of the families and retinues of each of the members of the Simon Commission and the Central Committee?

(b) Will Government be pleased to state the reasons why the family members of the members of the Simon Commission and the Central Committee have been provided with accommodation in the special train? Was there any other Committee or Commission where the expenses of the family members of each of the members of such committees or commissions were paid out of the public revenues of India? If so, which were they?

**The Honourable Mr. J. Orerar:** (a) A statement has been laid on the table.

(b) The concession in the case of Members of the Indian Statutory Commission was included by the Secretary of State in the terms granted to Members of the Indian Statutory Commission when appointed. To maintain uniformity of treatment a similar concession was granted by the Government of India to Members of the Indian Central Committee. Government do not meet the expenses of the wife or other relative who accompanies a Member on the special train. The Member is merely given the right to take his wife or close relative without payment into his own reserved accommodation.

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The Government of India do not receive information from the Commission or from the Committee of the precise composition of their party for each stage of their tour. Members both of the Commission and of the Committee have been permitted to take their wives free in their reserved railway accommodation on the special train, and, at the request of the Members of the Central Committee this concession has been extended, in their case, to permit a member unaccompanied by his wife, to take a close family relative with him in his own compartment.

The Government of India understand that five Members of the Indian Statutory Commission have taken advantage of the concession allowed to them, though in some cases the Member's wife has accompanied her husband only for portions of the tour. They have no information of the extent to which Members of the Indian Central Committee have made use of this concession.

As both the Chairmen are entitled to a reserved bogie saloon each, and as Members both of the Commission and of the Committee are entitled to reserved compartments, the concession, which applies only to journeys in the special train, of free railway accommodation for a wife or a close relative has not involved any additional expenditure by Government. For the voyages from Calcutta to Rangoon and from Rangoon to Madras a Member, whether of the Commission or of the Committee, who was accompanied by his wife, was entitled to  $\frac{1}{2}$  additional first class fare. The Government of India have received no information of the ladies who accompanied their husbands on the voyage to and from Burma. The personnel of the Indian Statutory Commission and the Indian Central Committee is already well-known.

**COST OF SEA PASSAGES FOR FAMILIES OF MEMBERS OF THE SIMON COMMISSION  
AND CENTRAL COMMITTEE.**

**945. \*Mr. Jamnadas M. Mehta:** (a) Is it a fact that the cost of passage to England of the members of the family of each individual member of the Central Committee is going to be borne by Indian revenues? If so, will Government be pleased to state the reasons for granting such passages to family members?

(b) Will Government be pleased to state whether the cost of passage of the family members of each of the members of the Simon Commission were paid from Indian revenues when they came from London to India?

(c) Are they going to be paid the return passage as well?

**The Honourable Mr. J. Orerar:** Each member of the Indian Statutory Commission has been allowed by the Secretary of State a free first class return passage for his wife during one only of the Commission's two visits to India. The same concession has been allowed to the members of the Indian Central Committee for their voyages to and from England. In neither case does the concession extend to other members of the family except a wife. The cost of these passages is debited to the expenses respectively of the Commission and of the Committee, which are met from Indian revenues, aided by a lump sum grant from British revenues towards the expenses of the Commission.

**Mr. Gaya Prasad Singh:** May I know, Sir, why the passage money of the Members of the Central Committee, who are going to England as His Majesty's guests, is not borne by His Majesty's Government at Home?

**The Honourable Mr. J. Orerar:** Because they are making their journey in the discharge of the business of the Central Committee.

**Mr. A. Rangaswami Iyengar:** Was not this Committee appointed at the instance of the House of Commons, and was not the Royal Commission appointed by the House of Commons?

**The Honourable Mr. J. Orerar:** The Committee was appointed by His Excellency the Viceroy.

**NUMBER AND COST OF POLICE OFFICIALS ATTACHED TO SPECIAL TRAINS  
OF THE SIMON COMMISSION AND CENTRAL COMMITTEE.**

**946. \*Mr. Jamnadas M. Mehta:** (a) Will Government be pleased to state the number of police officials attached to the special trains of the Simon Commission and Central Committee and the ranks of such officers in the different provinces?

(b) Will Government be pleased to state the cost of travelling and other allowances paid to each of such officials?

(c) Will Government be pleased to state whether this cost of police officials will be borne by Indian revenues or provincial revenues? If by Indian revenues, were such officials placed on deputation to the Government of India during the periods of their duty with the special trains of the Simon Commission and the Central Committee? If so, when were the notifications issued placing their services at the disposal of the Government of India?

**The Honourable Mr. J. Orerar:** (a) and (b). Government do not consider that it would be in the public interest to make any statement regarding the police arrangements in connection with the movements of the Commission and the Committee.

(c) Any expenditure involved in such arrangements has been borne by the Provincial Governments concerned, and there has been no occasion for placing officers on formal deputation.

**Mr. Jamnadas M. Mehta:** Will the Honourable Member tell us what is the special reason for not disclosing the police arrangement inasmuch as they bear on the question of the cost of the Commission?

**The Honourable Mr. J. Orerar:** Will the Honourable Member kindly repeat his question?

**Mr. Jamnadas M. Mehta:** Will the Honourable Member please state why he does not desire to give any information on the police arrangements? This question bears definitely on the cost of the Commission?

**The Honourable Mr. J. Orerar:** Obviously to publish police arrangements would be to give an opportunity to any persons with evil intentions in the matter.

**Mr. Jamnadas M. Mehta:** Is it feared that the lives of the Members of the Commission are in danger?

**Diwan Chaman Lall:** May I ask the Honourable Member whether there are any police officers travelling on the special train with the Simon Commission?

**The Honourable Mr. J. Orerar:** That may at times be the case.

**Diwan Chaman Lall:** Then how does the Honourable Member reconcile the facts? Are the Central Government to pay their expenses or are the Provincial Governments to pay the expenses of those who are travelling on the special train?

**The Honourable Mr. J. Orerar:** As I have already explained, expenditure incurred in connection with the police arrangements is defrayed by the Local Governments, in whose jurisdiction these arrangements are made.

**Mr. K. Ahmed:** In view of the fact that a supplementary question has been put; will Government be pleased to state whether the cost of the police arrangements in connection with the Simon Commission will not be incurred at all, if the members of the public and of the Congress Party, promise or give an undertaking that they will not break the peace of the country by unlawful demonstrations and by throwing stones at the Members of the Simon Commission? If such an undertaking is given by Members of the Congress Party, will Government be pleased to consider the desirability of minimising the cost of the police arrangements, or to do away with such cost altogether?

**Mr. Jamnadas M. Mehta:** Has the Honourable the Home Member replied to the last line of question No. 946? Will he refer me to the notifications issued?

**Mr. President:** The Honourable Member is going back now.

**Mr. Jamnadas M. Mehta:** I am still on question No. 946, Sir. The reply to the last line in question 946 has not been given, I think.

**The Honourable Mr. J. Orerar:** Yes, Sir, I have replied to it. I said there has been no deputation, and consequently there is nothing to notify.

**PROVISION OF EMPLOYMENT IN SHIPPING COMPANIES FOR INDIANS TRAINED  
ON THE "DUFFERIN".**

**947. \*Mr. Jamnadas M. Mehta:** (a) Will Government be pleased to state if their attention has been drawn to the following statement made on page 4 of the Prospectus of the Indian Mercantile Marine Training Ship "Dufferin"?—

*"Facilities for Apprenticeship:—*The following shipping companies have agreed to accept, as apprentices, youths who have completed the course of the Training Ship, and the Government of India consider that apprentices, who give satisfaction, should be able to obtain employment on the ships belonging to these and other companies :

- (1) Peninsular and Oriental Steam Navigation Co.'s India-China Steamers,
- (2) British India Steam Navigation Co.,
- (3) Scindia Steam Navigation Co.,
- (4) Asiatic Steam Navigation Co.,
- (5) The Nourse Line,
- (6) The Apcar Line,
- (7) The Mogul Line,
- (8) The Persian Gulf Steam Navigation Co.,
- (9) The Eastern Steam Navigation Co.,
- (10) Messrs. Cowasji Dinshaw Bros., Aden,
- (11) The Halal Shipping Co., Aden."

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state whether the shipping companies mentioned therein have given an undertaking to the Government that they will employ the successful cadets of the "Dufferin" after they obtain their certificates of competency as officers, on board their steamers, as distinct from their employment as apprentices?

(c) Will Government be pleased to state if their attention has been drawn to the following observation made by His Excellency the Viceroy at Cawnpore in December, 1926?

"It is, however, no use training Indians in this way unless they have a career open to them. I hope therefore that British shipping companies will co-operate to make the Training Ship a success by giving fair opportunity of employment to Indian cadets."

(d) Are Government aware that, a few months after the above observation was made by His Excellency the Viceroy, a Conference of the British shipowners interested in the trade with India was held in London at the instance of the Shipping Federation, where it was emphasised that it would not be fair to the British deck officers to create a new source of supply by starting a training ship in India, and that the cadets of the proposed Indian Training Ship, passing successfully the Board of Trade examination, should look for employment to Indian shipping companies only, and not to British shipping companies?

(e) If the answer to part (b) be in the negative, will Government be pleased to state, with reference to the observation,

"and the Government of India consider that apprentices who give satisfaction should be able to obtain employment on ships belonging to these and other companies,"

what impression they intended to create in the minds of the cadets and their parents about the future employment they are likely to secure on the steamers of the companies referred to in part (a)?

**The Honourable Sir George Rainy:** (a) Yes.

(b) No.

(c) Yes.

(d) No.

(e) While anxious to avoid giving the impression that employment is assured to every passed apprentice, Government desired to emphasize the opportunities of employment which exist for those apprentices who give satisfaction.

#### PROVISION OF EMPLOYMENT FOR INDIANS TRAINED ON THE "DUFFERIN."

948. **\*Mr. Jamnadas M. Mehta:** (a) Will Government be pleased to state if their attention has been drawn to the following observation made by Sir Purshotamdas Thakurdas, a member of the Governing Body of the Indian Training Ship "Dufferin", as President, at a lecture delivered at the Davar's College of Commerce of Bombay, on the 29th November, appearing in the issue of the *Indian Daily Mail* of the 30th November?

"He was aware that the training ship "Dufferin" was a step in the right direction, but it was totally inadequate to the needs of the situation. It was going to be a problem as to where to find employment for the youths trained in the "Dufferin" when they had completed their course, as Indian companies could not absorb all the youths. The Government of India has tinkered with the problem too long. Nothing short of a substantial advance towards the development of the National Mercantile Marine would satisfy Indian opinion."

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state whether they are prepared, even now, to consider the question of carrying out the recommendations of the Indian Mercantile Marine Committee about the employment of officers and engineers on the steamers plying on the coast of India?

**The Honourable Sir George Rainy:** (a) Yes.

(b) Government do not consider that the need for giving effect to the recommendations of the Indian Mercantile Marine Committee referred to by the Honourable Member has arisen.

#### HANDLING CONTRACT OF THE ASSAM BENGAL RAILWAY AT CHITTAGONG JETTIES.

949. **\*Mr. Anwar-ul-Asim:** Will Government be pleased to state why the son-in-law of the late Khan Sahib Rahman has been given the handling contract of the Assam Bengal Railway at the Chittagong jetties, excluding the other rightful heirs? Who is responsible for that distribution?

What are the terms on which the said control has been given to the said son-in-law of Khan Sahib Rahman?

**Mr. P. R. Rau:** Government have no information.

The placing of handling contracts lies within the power of Agents.

**APPOINTMENT OF ASSISTANT TRAFFIC SUPERINTENDENTS ON THE ASSAM BENGAL RAILWAY.**

950. **\*Mr. Anwar-ul-Azim:** How many Assistant Traffic Superintendents have been appointed by the Assam Bengal Railway during 1928, and during this part of 1929? Where do they come from, and what are their qualifications?

**Mr. P. R. Rau:** Government have no information, but are making inquiries from the Agent and will communicate with the Honourable Member on receipt of his reply.

**Mr. Anwar-ul-Azim:** Will the Honourable Member kindly tell me how long it will take him to get this information?

**Mr. P. R. Rau:** I am afraid I cannot give a definite reply at present.

**APPOINTMENT OF A CHARTERED ACCOUNTANT IN PLACE OF MR. J. R. GUHA, AUDITOR, ASSAM BENGAL RAILWAY.**

951. **\*Mr. Anwar-ul-Azim:** Will Government be pleased to state if they intend to appoint a qualified chartered accountant in place of the late Mr. J. R. Guha, Auditor, Assam Bengal Railway, at Chittagong?

**Mr. P. R. Rau:** The appointment rests with the Board of Directors of the Assam Bengal Railway Company.

**NUMBER OF BRITISH, COLONIAL AND INDIAN OFFICERS HOLDING KING'S COMMISSIONS IN THE INDIAN ARMY.**

952. **\*Dr. B. S. Moonje:** (a) Will Government be pleased to state the total number of officers holding King's commissions in the Indian Army establishment?

(b) How many of them are Britishers, how many Colonials and how many Indians?

(c) Of the Britishers and the Colonials, how many have obtained the commissions after having passed through the competitive examinations from the British Military Colleges; how many have been recruited directly from the Officer's Training Corps of England and of the Colonies without being required to pass through the competitive examinations of the British Military Colleges?

(d) Of the Indians, how many are Anglo-Indians, Hindus, Muhammadans, Sikhs and Christians, and how many of each of them have been recruited after competitive examinations from the British military colleges, or promoted from the Viceroy's commissions, or recruited directly from the Indian Auxiliary Force and Indian Territorial Force?



**Mr. G. M. Young:** (a) 3,202, excluding officers of the Royal Engineers (Indian Army), Indian Signal Corps (Special List), Special List of Quarter-masters of the Indian Army and Departmental officers of the Commissary class.

(b) 3,098 British;

86 Indians;

14 from the Australian military forces;

3 from the Canadian military forces; and

1 from the New Zealand military forces.

(c) I am unable to give this information with regard to those officers who were granted direct commissions before the 1st January, 1920. Of the British officers now serving, who were commissioned after that date, all but 29 passed through Sandhurst. Out of the 29, 25 were workshop officers of the Royal Army Service Corps, who were subsequently transferred to the Indian Army Service Corps.

(d) Of the 86 Indians, 46 passed through Sandhurst, 31 through the Cadet School at Indore, and the remaining 9 were Viceroy's commissioned officers, who were granted King's commissions. I will supply the Honourable Member separately with a statement giving their castes and religions.

#### REASONS FOR INTRODUCTION OF A REVISED SCALE OF PAY FOR OFFICERS HOLDING KING'S COMMISSIONS IN MARCH 1925.

953. **\*Dr. B. S. Moonje:** (a) Will Government be pleased to state if it is a fact that a revised scale of pay has been introduced for officers holding King's commissions and that the orders issued in this connection on the 7th March, 1925 were to have retrospective effect from the 1st July, 1924?

(b) If the reply to part (a) is in the affirmative, will Government please state the reasons therefor? Are these orders equally applicable to Indian officers, and are these officers holding the King's commissions either in consequence of their promotion from the Viceroy's commissions, or through passing the competitive examinations of the British military college? If not, why not?

**Mr. G. M. Young:** (a) Yes.

(b) I would refer the Honourable Member to the reply given on the 15th September, 1924, to starred question No. 1888 and to Mr. Burdon's speech in this House on the 4th March, 1925. The rates of pay are admissible to all regular officers holding King's commissions other than honorary commissions.

#### APPOINTMENT OF OFFICERS OF THE INDIAN TERRITORIAL FORCE AS AIDES-DE-CAMP TO GOVERNORS, ETC.

954. **\*Dr. B. S. Moonje:** (a) Will Government be pleased to state if there are any officers of the Auxiliary Force appointed to serve as Aides-de-Camp to H. E. the Viceroy, H. E. the Commander-in-Chief, the Governors and the Lieut.-Governors of the Provinces, and if so, how many, and where are these appointments held?

(b) Are similar officers of the Indian Territorial Force eligible for a similar privilege? If not, why not?

(c) If the reply to part (b) is in the affirmative, will Government please state if there are any officers of the Indian Territorial Force serving as Aides-de-Camp, and if not, do Government propose to give them the next chance?

**Mr. G. M. Young:** (a) There are 9 officers of the Auxiliary Force (India) who are honorary aides-de-camp to His Excellency the Viceroy, 4 to His Excellency the Governor of Bengal, 8 to His Excellency the Governor of the United Provinces, 2 to His Excellency the Governor of Bihar and Orissa, and 1 each to Their Excellencies the Governors of Madras and Assam.

(b) Yes.

(c) No officers of the Indian Territorial Force are at present honorary aides-de-camp. The appointments do not rest with the Government, but with the high officials concerned, who, I am sure, would be prepared to consider the possibility of selecting officers from the Indian Territorial Force when suitable opportunities occur.

#### ATTACHMENT OF OFFICERS OF THE INDIAN TERRITORIAL FORCE TO THE INDIAN ARMY.

955. **\*Dr. B. S. Moonje:** (a) Will Government be pleased to state if they propose to attach selected officers of the Territorial Force to the regular Indian Army for further training?

(b) If the reply to part (a) is in the affirmative, do Government propose to make them eligible for selection for service into the various departments of the Government of India, such as the Foreign and Political Department, Recruiting Department and Cantonment Department, etc., like officers of the regular Indian Army? If not, why not?

**Mr. G. M. Young:** (a) Government not only propose to do so, but are already doing so.

(b) Officers of the Indian Territorial Force are already, under certain conditions, eligible for appointment to the Cantonments Department and I have recently decided to accept one for appointment to that Department. They are also eligible for appointment as Assistant Recruiting Officers. It is not proposed to make them eligible for the Political Department, which is recruited from permanent Government services.

#### ATTACHMENT TO THE INDIAN ARMY OF OFFICERS OF THE UNIVERSITY TRAINING CORPS.

956. **\*Dr. B. S. Moonje:** (a) Will Government please state if, as recommended by the Shea Committee, any officers of the University Training Corps have ever been selected for being attached to regular units for receiving further training and improving their efficiency, and if so, how many?

(b) Have such opportunities been welcomed by the officers?

**Mr. G. M. Young:** (a) Not yet, Sir, but the new rules on the subject, which have just come into force, make it compulsory for all officers of the University Training Corps to complete a 6 months' course of attachment to a regular unit before their commissions are confirmed.

(b) Does not arise.

**UTILIZATION OF THE INDIAN TERRITORIAL FORCE AS WELL AS THE AUXILIARY FORCE FOR QUELLING INTERNAL DISTURBANCES.**

**957. \*Dr. B. S. Moonje:** (a) Will Government please state how many times, during the last five years, units of the Auxiliary Force and the Territorial Force were called out in aid of the civil power on occasions of internal disturbances?

(b) Are Government aware that the members of the Territorial Force are making it a grievance that they have not been called out like the members of the Auxiliary Force in aid of the civil power?

**Mr. G. M. Young:** (a) I am afraid that it would take some time to collect the information required by the Honourable Member, but it may be sufficient for his purposes if I say that units of the Auxiliary Force have been called out in aid of the civil power on several occasions during the period. The only unit of the Indian Territorial Force, so far as I am aware, which has been similarly called out is the 11/13th Frontier Force Rifles. This unit helped to round up a dangerous gang of dacoits near Rawalpindi in 1926.

(b) I am not aware of this fact, Sir.

**Mr. Gaya Prasad Singh:** May I know why members of the Indian Territorial Force have not been called out on previous occasions?

**Mr. G. M. Young:** To what occasions does my Honourable friend refer?

**Mr. Gaya Prasad Singh:** On the occasions when the Auxiliary Force was called out.

**Mr. G. M. Young:** Probably because, among other reasons, the Territorial Force was not at that moment embodied.

**OWNERSHIP OF HORSES OF THE CAVALRY SECTION OF THE AUXILIARY FORCE.**

**958. \*Dr. B. S. Moonje:** (a) Will Government be pleased to state if all the horses in the cavalry section of the Auxiliary Force are owned by the members thereof?

(b) If the reply to part (a) is in the negative, how many of them are owned by the Government and how many by the members thereof?

**Mr. G. M. Young:** (a) Yes.

(b) Does not arise.

**APPOINTMENT OF SENIOR OFFICERS AS HONORARY COLONELS OF THE INDIAN TERRITORIAL FORCE.**

**959. \*Dr. B. S. Moonje:** (a) Will Government be pleased to state if any high Government officials, officers of the Royal Navy, the Regular Army or the Royal Air Force, and any private gentlemen of good social

position have been appointed Honorary Colonels of Corps of the Auxiliary Force, and if so, how many and who are they?

(b) Are there any such Honorary Colonels in the Indian Territorial Force, and if so, how many and who are they?

**Mr. G. M. Young:** (a) The answer is in the affirmative. There are 22 such Honorary Colonels, including His Excellency the Viceroy, Heads of Provinces, Agents of Railways and two or three retired gentlemen of position.

(b) The answer is in the affirmative. There are five such Honorary Colonels. Three of them are Governors of Provinces and two are Indian gentlemen.

**PARTICULARS OF RIFLES, DRILL AND COURSES OF INSTRUCTION FOR OFFICERS OF THE AUXILIARY AND INDIAN TERRITORIAL FORCES.**

960. **\*Dr. B. S. Moonje:** (a) Will Government be pleased to state the pattern of the rifles provided for the training of the Territorial Force and the Auxiliary Force?

(b) What are the durations of rifle practice and of drill during each training year, as fixed for the officers and men of the Territorial Force and the Auxiliary Force?

(c) What are the courses of instruction and the periods of camp training as fixed for the Auxiliary Force and the Territorial Force?

(d) What are the periods of training with a regular unit, or at a school of instruction as fixed for the Auxiliary Force and the Territorial Force?

(e) What was the average yearly cost per head, for the last five years, in respect of practice and small arms ammunition for the officers and men of the University Training Corps, the urban and the provincial units of the Territorial Force and of the Auxiliary Force?

**Mr. G. M. Young:** (a) The technical name of the rifle is "Rifle M.L.E. 303".

(b) No particular periods are set apart for rifle practice and drill. Provincial battalions of the Indian Territorial Force fire their annual musketry course while the unit is embodied for training. Auxiliary Force units, urban units of the Indian Territorial Force and University Training Corps, can fire their musketry courses at whatever time is found convenient.

(c) No course of instruction is obligatory for either Force, nor is a member of the Auxiliary Force compelled to go into camp. He may, however, perform his obligatory training either in camp or by drills, or by a combination of both. The obligation is as follows:

			<i>Infantry.</i>	<i>Other branches.</i>
Active Class	..	..	16 days.	20 days.
First 'A' Reserve	..	..	6 days.	10 days.
Second 'B' Reserve	..	..	Musketry course only.	

The training required of members of the Indian Territorial Force is laid down in paragraphs 15 and 16 of the Indian Territorial Force Rules, a copy of which is being placed in the Library.

(d) Attachment to regular units is obligatory for officers of the University Training Corps only. Any member of the Auxiliary Force or the Indian Territorial Force may, at his own request, be attached to a unit of the regular forces, or for a course of instruction at an Army School.

(e) I am sending the Honourable Member a statement showing the average annual cost per head in respect of practice and small arms ammunition for members of the Auxiliary and Territorial Forces.

**Pandit Hirday Nath Kunzru:** Will the Honourable Member mind placing that statement on the table of the House?

**Mr. G. M. Young:** I shall have no objection to doing so, Sir.

*Statement showing the Average Annual Cost per Head in respect of Practice and Small Arms Ammunition for Members of the Auxiliary and Territorial Forces.*

All units of the Indian Territorial Force:

	Ra.	A.	P.
Officers . . . . .	4	14	11
Other ranks . . . . .	5	8	9

Auxiliary Force (India)—Infantry units:

Officers and Sergeant Pipers . . . . .	4	14	11
Trained soldiers [ . . . . .	10	13	11
Cadets or recruits . . . . .	8	11	2

Auxiliary Force (India)—Cavalry units:

Officers, Sergeant-Majors, Staff Sergeants, Squadron Sergeant Majors, Squadron Quartermaster Sergeants or Trumpeters . . . . .	6	14	5
Trained soldiers . . . . .	10	3	5
Recruits . . . . .	8	6	2

Auxiliary Force (India)—Machine Gun Corps:

Officers . . . . .	13	15	4
Trained soldiers . . . . .	12	10	6
Recruits . . . . .	8	6	2

Auxiliary Force (India)—Engineer units:

Officers . . . . .	16	4	2
Company Sergeant Majors, Staff Sergeant Instructors, and Staff Sergeants . . . . .	6	14	5
Trained men . . . . .	18	12	2
Recruits . . . . .	17	3	3

Auxiliary Force (India)—Artillery units:

Officers, Warrant Officers, Staff Sergeant Farriers and Shoemsmiths and Trumpeters . . . . .	7	14	5
Trained soldiers . . . . .	10	13	11
Recruits . . . . .	9	5	0

## GRANT OF COMMISSIONS TO OFFICERS OF THE INDIAN TERRITORIAL FORCE.

961. **\*Dr. B. S. Moonje:** Will Government be pleased to state if action has been taken to grant commissions to the senior officers of the Indian Territorial Force by the Governor General in the name of His Majesty, with British designations of rank and if not, what do Government propose to do in the matter?

**Mr. G. M. Young:** Yes. The provisional regulations for the grant of senior grade commissions in the Indian Territorial Force have been issued, and a copy has been placed in the Library. As I have already informed the House, the grant of dual commissions has been abolished, but I may add, in case occasional gazette notifications still appear showing officers with the old dual commissions, that an officer who does not qualify or wish to qualify for a senior commission, is permitted to retain his dual commission.

## APPLICABILITY TO THE AUXILIARY FORCE OF RULES AGAINST ENROLMENT OF PERSONS PREVIOUSLY SENTENCED TO IMPRISONMENT, ETC.

962. **\*Dr. B. S. Moonje:** (a) Are Government aware that a person who has at any time been sentenced to a term of transportation or imprisonment or to whipping, or who has been ordered, under the provisions of the Code of Criminal Procedure, to give security for his good behaviour, such sentence or order not having been subsequently reversed or remitted, or the offender pardoned, is not eligible for enrolment in the Indian Territorial Force?

(b) Will Government be pleased to state if these rules apply also for enrolment of persons in the Auxiliary Force; and if so, under what rules and regulations?

**Mr. G. M. Young:** (a) Yes.

(b) There is no specific provision to this effect in the Auxiliary Force Act or Rules, but an applicant for enrolment in the Force has to establish the fact that he is of good moral character. In practice, therefore, the restriction applies equally in the Auxiliary Force.

## DEFINITION OF BUSINESS EXPENSES FOR PURPOSE OF CALCULATION OF INCOME-TAX.

963. **\*Sir Hugh Cocke:** (a) Has the attention of Government been drawn to the case of Mahomed Kassim Rowther *vs.* The Commissioner of Income Tax, Madras, decided by the Madras High Court on 18th September, 1927, in which it was held that remuneration paid to an employee is not allowable as a deductible expense for Income-tax purposes, where it is based on the profits of a business, instead of being on a fixed salary basis?

(b) Are Government aware that commission and other remuneration paid to an employee, within the meaning of salary, as described in section 7 (1) of the Indian Income-tax Act, has, in the past, been allowed as a business expense, but that, since the above case was decided, certain Income-tax Officers are refusing to allow such remuneration as a deductible expense where it is based on profits?

(c) Are Government aware that, if such remuneration is not allowed as a deduction from profits, the assessable profits are correspondingly enhanced, and that this may cause super-tax to be paid on an income which is larger than the income enjoyed?

(d) Will Government be pleased to state the policy they propose to follow with reference to remuneration based on profits, in the case of a private business, and in that of a limited company?

**The Honourable Sir George Schuster:** (a) The answer is in the affirmative.

(b) Yes. The position is correctly stated, except that, in some provinces, a distinction was made between bonuses paid *ex gratia*, and bonuses paid under terms of a contract or agreement between employer and servant.

(c) The answer is also in the affirmative, although the Government do not necessarily accept the implication of the last words of the question.

(d) When the effect of the Madras High Court ruling was brought to the notice of the Government of India, they decided that the sums paid as bonus or commission should not be taxed twice, that is to say once in the hands of the employer, and again in the hands of the servant, and they therefore issued a notification in March, 1928, exempting the sums in question, when already taxed in the employer's hands, from taxation a second time in the hands of the servant. The Government of India have again examined the question, and, although they do not propose to review generally the decision which they reached last year, they will modify it by issuing orders that, where a servant receives bonus or commission on profits, in virtue of a contract or agreement regarding the terms of his employment, such bonus or commission shall be treated as an expense of the business, subject to such safeguards as may, on examination, be found necessary, in order to prevent abuse of the concession in cases where the relationship between the employer and the servant is such as to render abuse possible.

#### NUMBER OF INDIAN DIVISIONAL INSPECTORS IN THE WATCH AND WARD DEPARTMENT OF THE GREAT INDIAN PENINSULA RAILWAY.

964. \***Khan Bahadur Haji Abdullah Haji Kasim:** Will Government be pleased to state what is the number of Divisional Inspectors in the Watch and Ward Department of the Great Indian Peninsula Railway? How many of them are Indians?

**Mr. P. R. Rau:** There are 10 Divisional Inspectors in the Watch and Ward Department of the Great Indian Peninsula Railway. Government understand that, of the 10 posts, 2 are at present held by Anglo-Indians, 2 by Hindus and 1 by a Muslim.

#### CONSTRUCTION OF A GOODS SHED AND SIDINGS AT BURHANPUR RAILWAY STATION.

965. \***Mr. Abdul Qadir Siddiqi:** (a) With reference to my starred question number 402 of the 11th September, 1928, will Government be pleased to state whether an adequate goods shed, with necessary sidings, is to be constructed at the Burhanpur Railway Station and if so when?

(b) If nothing has been decided till now, do Government propose to expedite the matter?

**Mr. P. R. Rau:** A scheme for remodelling Burhanpur Station, including increased goods shed accommodation, was originally included in the capital programme for the year 1930-31, but the Great Indian Peninsula Railway Administration has since put this scheme back till 1933-34. A copy of the question will however be sent to the Agent to consider whether it is desirable to start that part of the scheme dealing with improved goods shed accommodation earlier.

#### AMENDMENT OF THE INDIAN COMPANIES ACT.

**966. \*Mr. Fazal Ibrahim Rahimtulla:** (a) Will Government be pleased to state whether they have received copies of the English Companies Amendment Act of 1928? If so, will Government be pleased to state what they propose to do with regard to the amendment of the Indian Companies Act?

(b) Are Government aware that the English Companies' Amendment Act of 1928 was introduced and passed after a committee appointed by the Board of Trade had submitted its report upon the amendments to be made in the English Acts? Do Government intend to adopt a similar procedure in regard to the amendment of the Indian Companies Act?

**The Honourable Sir George Rainy:** I would refer the Honourable Member to the answers given to similar questions asked by Mr. Vidya Sagar Pandya in this House on the 6th February, 1929.

#### EMIGRATION OF COOLIES FROM JEYPUR SAMASTHANAM TO TEA GARDENS IN ASSAM AND BENGAL.

**967. \*Pandit Nilakantha Das:** (a) Will Government be pleased to state whether they have received any representation from the people and inhabitants of Jeypur Samasthanam, (Vizagapatam District, Madras Presidency), to take steps to put a stop to the undesirable practice of the emigration of coolies from those tracts to the tea plantations in Assam and Bengal? If so, what were the steps taken? Or if steps were not taken, why not?

(b) Are Government aware of the fact that the continuous emigration of the peasants and the labouring classes has depleted the agriculturist and labour population, and hence, the different administrations in the agency tracts in question are suffering very much for want of sufficient labour to meet with the demand created by the rising of the local industries, trade and agriculture, specially stimulated by the new railway line from Vizagapatam to Raipur?

(c) Are Government aware of the fact that a deputation waited on His Excellency the Governor of Madras (while on tour at Jeypur) representing the grievances mentioned in part (a) and asking him to take steps to stop the emigration of people from those areas? If so, what came out of it?

**The Honourable Sir Bhupendra Nath Mitra:** (a) The answer is in the affirmative. The representation related to emigration in general from the agency tracts, and not particularly to emigration to the tea plantations in Assam and Bengal. A similar representation was also made to the Government of Madras, which is primarily concerned with the matter.



(b) and (c). The Government of India have no information.

**Diwan Chaman Lall:** May I ask the Honourable Member if it is a fact that the District Magistrate of Vizagapatam opined before the deputation of Tea Planters that waited on the Government of Madras to discuss ways and the desirability of suppressing Act VI of 1901, and that there was a definite abuse in this matter and that this emigration should be stopped?

**The Honourable Sir Bhupendra Nath Mitra:** It is quite possible that that statement was made, but I confess I have no personal recollection of it, and even if that statement had been made, as I have said, the matter is primarily one for the Government of Madras.

**Diwan Chaman Lall:** May I ask the Honourable Member whether copies of the proceedings of this representation, referred to in part (c) of the question, were sent to the Government of India?

**The Honourable Sir Bhupendra Nath Mitra:** The question does not refer to copies of representations.

**Diwan Chaman Lall:** May I ask the Honourable Member whether copies of the proceedings relating to this deputation were sent to the Government of India or not?

**The Honourable Sir Bhupendra Nath Mitra:** I am not aware of having seen a copy of such proceedings.

**Pandit Nilakantha Das:** Has the attention of the Honourable Member been drawn to the fact that Sir George Paddison stated that this emigration was regarding emigration to Assam, and not to places outside India?

**The Honourable Sir Bhupendra Nath Mitra:** I have referred to the representation which the Honourable Member had mentioned in his question.

**Diwan Chaman Lall:** Arising out of part (a) of this question, is it a fact that Sir George Paddison made a definite statement to the effect that this emigration was to the tea plantations in Assam?

**The Honourable Sir Bhupendra Nath Mitra:** I have no information on that point. As I have already said, this is a matter which relates primarily to the Government of Madras.

**Diwan Chaman Lall:** Then, is it a fact that the Honourable Member has not read the proceedings of the Agricultural Commission?

**Pandit Nilakantha Das:** Has the Honourable Member seen question No. 12446 in the Madras volume of evidence?

**The Honourable Sir Bhupendra Nath Mitra:** As I have already said, the matter is primarily one for the Government of Madras.

#### VISIT OF THE MEMBER IN CHARGE OF INDUSTRIES AND LABOUR TO ASSAM.

968. **\*Pandit Nilakantha Das:** When did the Honourable Member in charge of the Department of Industries and Labour, visit Assam officially, and in what connection? Will Government be pleased to place on the table a copy of his report in that connection?

**The Honourable Sir Bhupendra Nath Mitra:** I visited Assam in October, 1925, in order to acquaint myself with various problems connected with that Province. No report was written by me.

**Pandit Nilakantha Das:** Was the Honourable Member's visit private, or official or semi-official?

(No answer was given).

**NATURE OF PROPOSALS MADE BY TEA PLANTERS FOR AMENDMENT OF THE ASSAM LABOUR AND EMIGRATION ACT.**

969. **\*Pandit Nilakantha Das:** (a) Were any proposals put forth by the tea planters for suppressing the operation of Act VI of 1901, known as the Assam Labour and Emigration Act, or for amending it in any manner? If so, what was the nature of the proposals, and what has been done in that connection up to date?

(b) Do Government propose to publish the correspondence in that connection?

**The Honourable Sir Bhupendra Nath Mitra:** (a) The Indian Tea Association submitted certain proposals in connection with the revision of the Assam Labour and Emigration Act, which is under the consideration of the Government of India. The object of these proposals is to secure greater elasticity in the method of recruitment for the tea gardens in Assam. The Government of India hope to be able to arrive at an early decision in the matter.

(b) The answer is in the negative.

**Diwan Chaman Lall:** May I ask the Honourable Member whether he intends to consult the executive of the Trade Union Congress before arriving at a decision on this matter?

**The Honourable Sir Bhupendra Nath Mitra:** No, Sir.

**Diwan Chaman Lall:** May I ask the reason why?

**The Honourable Sir Bhupendra Nath Mitra:** There is no reason why we should consult the Trade Union Congress, of which the Honourable Member, I believe, is a past President.

**Diwan Chaman Lall:** May I ask the Honourable Member why, if he is prepared to accept the representations made by the employers organisations, he is not prepared to consult the employees' organisations?

**The Honourable Sir Bhupendra Nath Mitra:** It is quite open to the Trade Union Congress to make any representation it wants to make, but there is no question of Government consulting the Trade Union Congress before it comes to provisional conclusions in the matter. Thereafter, if Government want to undertake legislation, the legislation will have to come before the House, and then, in all probability, it will be circulated for the purpose of eliciting opinions.

**Pandit Nilkantha Das:** May I know why the answer to part (b) is "No"?

**The Honourable Sir Bhupendra Nath Mitra:** For the simple reason that Government have not considered that any useful purpose will be served by taking the action suggested by the Honourable Member.

**Pandit Nilakantha Das:** Am I to take it that the amending Bill that will be framed will be kept a secret?

**The Honourable Sir Bhupendra Nath Mitra:** There is no question of secrecy. The matter is at present receiving the attention of Government. Any document which Government may thereafter desire to place before the House will receive the greatest publicity.

**TERMS OF CONTRACTS ENTERED INTO BY LABOURERS IN TEA DISTRICTS  
IN ASSAM AND BENGAL.**

**970. \*Pandit Nilakantha Das:** (a) Are Government aware of the civil contract, or the agreement with the labourers in the tea districts of Assam and Bengal, whereby the liberty of the labourers is restricted?

(b) What are the general conditions in those contracts, and what is the penalty which the labourer will have to undergo if they are broken?

**The Honourable Sir Bhupendra Nath Mitra:** (a) and (b). Government have no information. But I may inform the Honourable Member that, whatever may be the terms of an agreement or contract between a tea-garden labourer and his employer in Bengal or Assam, a breach of that agreement or contract cannot be dealt with as a penal offence.

**APPOINTMENT OF INDIANS TO THE ASSAM LABOUR BOARD.**

**971. \*Pandit Nilakantha Das:** (a) Will Government be pleased to state the names and occupations of the members in the Assam Labour Board for the current year, and the salaries, allowances and total cost of the establishment of the respective officers of the Assam Labour Board for the last year under report?

(b) Who represents the cause of labour from the immigrants' point of view in this Board?

(c) Are there Indians among the members and the officers of the Board? If so, who are they? If not, why not?

**The Honourable Sir Bhupendra Nath Mitra:** (a) The information which is available is contained in the Report of the Assam Labour Board for the year ending the 30th June, 1928, a copy of which is being sent separately to the Honourable Member.

(b) I would invite the Honourable Member's attention to section 116A of the Assam Labour and Emigration Act, 1901, which lays down the constitution of the Assam Labour Board. It will be observed that there is no separate representation for labour on this Board.

(c) There are no Indians among the members of the Board, who, apart from the Chairman, are elected by certain bodies, and the only Indian officer is the Personal Assistant to the Chairman.

**Diwan Chaman Lal:** May I ask the Honourable Member whether Government have any intention of modifying the provision regarding the constitution of the Assam Labour Board?

**The Honourable Sir Bhupendra Nath Mitra:** As I have said, the question of amending the law relating to this subject is now engaging the consideration of Government.

NUMBER OF CLERKS, DOCTORS, ETC., APPOINTED TO TEA GARDENS FROM  
CERTAIN PROVINCES.

972. \***Pandit Nilakantha Das**: Will Government be pleased to state whether there are any clerks, subordinates, doctors or any such Government officials employed by the tea gardens from the provinces of Bihar and Orissa, Central Provinces, Madras, United Provinces, and Bombay from where most of the workers emigrate? If so, what are their respective numbers and prospects? If not, why not?

**The Honourable Sir Bhupendra Nath Mitra**: Government have no control over the employment of clerks, subordinates, or doctors by the tea gardens, nor have they any information as to the provinces from which such employees are drawn.

REPORTED EXISTENCE OF "LABOUR RULES" FOR CONTROLLING LABOUR  
IN ASSAM AND BENGAL.

973. \***Pandit Nilakantha Das**: Are Government aware of the existence of "labour rules" maintained by the tea planters of Assam and certain tea districts of Bengal, by which the planters keep a common understanding among themselves for the controlling of the labour forces under them? If so, will Government be pleased to place on the table a copy of those rules?

**The Honourable Sir Bhupendra Nath Mitra**: Government are aware that some years ago an agreement was entered into by certain owners of tea plantations and other concerns in Assam, with a view to prevent the enticement of labour from one tea garden to another. They do not however know whether this agreement is still in force.

**Diwan Chaman Lall**: May I ask the Honourable Member if it is a fact that the agreement is still in force, and if so, what steps Government intend to take in order to put an end to this agreement?

**The Honourable Sir Bhupendra Nath Mitra**: No steps. Government cannot interfere in private agreements.

**Diwan Chaman Lall**: Is it a fact that the present practice of recruiting to the tea gardens has resulted in a system of forced labour?

**The Honourable Sir Bhupendra Nath Mitra**: I have no information on that point.

**Diwan Chaman Lall**: May I ask the Honourable Member if he is prepared to make an inquiry, and after making an inquiry, to take the necessary steps?

**The Honourable Sir Bhupendra Nath Mitra**: I will consider that point.

**Pandit Nilakantha Das**: Has the attention of the Honourable Member been drawn to the fact that the rules are not legal since the Act was abolished?

**The Honourable Sir Bhupendra Nath Mitra**: We all know that.

**RECRUITMENT OF LABOURERS WITH FAMILIES FOR TEA GARDENS IN PREFERENCE TO SINGLE COOLIES.**

974. \***Pandit Nilakantha Das:** (a) Are Government aware of the fact that family groups of coolies are preferred to single male coolies by the agents of the tea gardens and so recruited by the Sardars? If so, what are the reasons?

(b) Are Government aware of the fact that Sardars of tea gardens, when they are deputed to bring fresh recruits from their parts of the country, are not allowed generally to take their families with them?

(c) Is it a fact that a male or female Sardar is generally sent out with an escort, and the family of the Sardar remains *de facto* security for his or her return, and if the Sardar happens not to return, then the family is not allowed to join the Sardar?

(d) Is it a fact that many thousands of labourers in the tea gardens are the forlorn members of such families?

(e) Is it a fact that men with fair complexion, cropped hair, or having signs of education or urbanity of manners are not recruited by the agents, even in spite of their able bodies and capacity for work?

**The Honourable Sir Bhupendra Nath Mitra:** The Honourable Member is presumably referring to recruitment for tea gardens in the labour districts of Assam, for which the only recognised system of recruitment is through the agency of garden Sardars. The reply to part (a) of his question is in the affirmative. Government have no information about the precise reasons for the preference. Government see no reason to interfere with the recruitment of labour in family groups.

(b) to (e). Government have no information, nor have they received any complaint that garden Sardars are being prevented from taking their families with them to their homes.

**PROVISION OF A PUBLIC TELEPHONE CALL OFFICE WITH TRUNK SERVICE IN NEW DELHI.**

975. \***Pandit Nilakantha Das:** Are Government aware of the fact that there is no public telephone call office, with trunk service, at New Delhi? If so, do they propose to open one immediately?

**Mr. H. A. Sams:** Yes.

The proposal to open public call offices in the Central Telegraph Office and the post office at Point "G" in New Delhi is under the consideration of the Postmaster-General, Punjab and North-West Frontier Circle.

**CONTINUOUS EMPLOYMENT IN ONE DIVISION FOR 11 YEARS OF THE INSPECTOR OF POST OFFICES, BHAGALPUR.**

976. \***Mr. Siddheswar Prasad Sinha:** (a) Is it not a fact that Government servants are generally transferred from one place to another in three years? If not, in what period are they generally transferred?

(b) With reference to my starred question No. 568, dated the 18th February, 1929, will Government be pleased to state the reasons why the Inspector of Post Offices in question was allowed to remain in the same division for nearly 11 years, and especially in one district for nearly 8 years?

**Mr. H. A. Sams:** (a) Government servants are usually transferred in the interests of administrative efficiency or convenience, and not at any fixed interval. In the case, however, of certain classes of officials of the Post and Telegraph Department, the Director General, on the 10th March, 1927, issued orders to the effect that *ordinarily* they should be transferred at intervals of three years.

(b) Before these orders were issued, the Inspector in question was allowed to remain in charge of the Purnea Sub Division for eight years as an administrative convenience. He has only just completed the prescribed period of three years in the Bhagalpur Sub Division.

#### APPOINTMENT OF HINDUS TO POST OFFICES IN THE BHAGALPUR DIVISION.

977. **\*Mr. Siddheswar Prasad Sinha:** (a) With reference to my starred question No. 565, dated the 18th February, 1929, regarding appointments in post offices in the Bhagalpur Division, will Government be pleased to state if the men named therein did actually apply for the posts?

(b) If the reply to part (a) is in the affirmative, did they apply before the posts were advertised or after? When and how were the posts advertised?

(c) How many Hindu candidates were there for the post?

(d) Were all of them inferior in qualifications? If so, will Government be pleased to state the qualifications of all the Hindu candidates, and also of those appointed, and if all or some of the Hindu candidates possessed qualifications equal to or better than those appointed, why were they not appointed?

**Mr. H. A. Sams:** As the records have been destroyed in the usual course of business, it is not possible to answer the Honourable Member's question categorically, but it may be stated with regard to part (a) that applications of eight of the men appointed are on record.

#### NUMBER OF SUCCESSFUL AND UNSUCCESSFUL APPLICANTS FOR APPOINTMENTS IN POST OFFICES IN THE BHAGALPUR DIVISION.

978. **\*Mr. Siddheswar Prasad Sinha:** Will Government be pleased to state the number of Hindus and Muhammadans separately, that (i) applied for appointments in post offices in Bhagalpur Division, (ii) were appointed in post offices in Bhagalpur Division, during the years 1921-27, and the principle underlying those appointments?

**Mr. H. A. Sams:** Owing to the destruction of old records in the usual course of business it is not possible to give the Honourable Member the whole of the information which he wants. I am, however, trying to collect as much information as it is possible to obtain and will communicate it to the Honourable Member in due course.

#### EMPLOYMENT IN THE MILITARY FINANCE DEPARTMENT OF MEN WHO HAVE NOT PASSED THE PUBLIC SERVICE COMMISSION TEST.

979. **\*Mr. Siddheswar Prasad Sinha:** (a) Will Government be pleased to state the number of men employed in the Military Finance Department

who (i) have not appeared at the Public Service Commission's test; (ii) have appeared once but failed; (iii) have appeared more than once but failed?

(b) Will Government state if they propose to substitute passed hands for them, and if so, when?

**The Honourable Sir George Schuster:** (a) Unpassed men are temporarily employed in the Military Finance Department in each of the categories mentioned by the Honourable Member as follows:—

(i) one.

(ii) one,

(iii) three.

(b) The question of the retention or otherwise of these men is under consideration and nothing definite can be said at present.

In addition to these temporary clerks, there are two permanent clerks who have been recruited direct from the Military Accounts Department. Four Accountants and three clerks of the Military Accounts Department were transferred from the Military Accountant General's Office when the Financial Adviser took over the preparation of the military estimates. These men are at present treated as on deputation in the Military Finance Branch. Although they are not passed candidates of the Public Service Commission, they have passed the departmental tests of their Department and are considered specially suitable for the requirements of the Military Finance Department as they possess actual experience of the system of military administration, and knowledge of financial codes and military regulations. It is, therefore, not proposed to replace them by passed candidates of the Public Service Commission.

#### EXCLUSION OF INDIANS FROM COMMERCIAL SALE ROOMS IN LONDON.

980. **\*Mr. D. V. Belvi:** (a) Has the attention of Government been drawn to the following remark in the speech of Sir Purshotamdas Thakurdas delivered at the Annual Session of the Federation of the Indian Chambers of Commerce and Industry, at Calcutta on the 29th December, 1928:

"Regarding the export of jute, which is the monopoly of India, and a necessity of the world, the commercial sale rooms of London where the jute business is transacted, if they keep any nationals from their precincts, they keep out Indians. There are other sale rooms in London which definitely refuse to take Indians as their members. I mention this in order that Your Excellency may realise, in correct perspective, the feelings with which Indians, who see those conditions in foreign countries, return here owing to such handicaps. I am sure that, if the Government of India took some interest in removing these handicaps on Indians, they would not have to work long in securing redress. I need hardly add that such a step, when achieved, will materially assist the Indian grower in several directions. It would help against an unwarranted lowering of the value and reputation of Indian raw materials in world markets, and would further facilitate the marketing of Indian produce abroad."

(b) If the answer to part (a) be in the affirmative, have Government made inquiries and found the statement to be correct?

(c) If so, will Government state what action they propose to take in order to remove the difficulties suggested in the said speech?

**The Honourable Sir George Rainy:** (a) Yes.

(b) and (c). An inquiry has been made of the High Commissioner, London, and his reply is awaited.

### FIXING OF CONVENIENT TIMES FOR PASSENGER TRAINS TO PATNA. }

981. \***Mr. Ram Narayan Singh:** (a) Has the attention of Government been drawn to a comment of the *Searchlight* of Patna in its issue of the 20th February, 1929, under the heading "E. I. Railway trains"?

(b) Do Government propose to inquire into and consider the local needs and inconveniences of important centres before time tables of railway trains are finally fixed?

(c) Are Government prepared to consider the suggestion made by the said paper with regard to the running of up and down passenger trains reaching Patna Junction at midnight as before?

**Mr. P. R. Rau:** (a) Yes.

(b) and (c). I am afraid it is impossible for Government to take any part in the preparation of time tables, but copies of the question and answer will be sent to the Agent.

### DISTRIBUTION OF LETTERS IN VILLAGES IN THE VICINITY OF JORI, HAZARIBAGH DISTRICT.

982. \***Mr. Ram Narayan Singh:** (a) Will Government be pleased to state whether there is any postman attached to the branch post office at Jori in the district of Hazaribagh for the distribution of letters and other things in villages in its area, and if so, what is his name and monthly pay?

(b) If the answer be in the affirmative, is it the duty of the postman to visit regularly the important centres in the area on weekly bazaar days?

(c) Will Government be pleased to state why this post office has not been furnished with a building of its own?

**Mr. H. A. Sams:** (a) No. An allowance of Rs. 4 is given to the Extra Departmental Agent at Jori for delivery work.

(b) Does not arise.

(c) Extra Departmental Agents are expected to make their own arrangements for the accommodation of the offices of which they are given charge.

### NUMBER OF POST AND TELEGRAPH OFFICES IN EACH DISTRICT OF THE CHOTA NAGPUR DIVISION.

983. \***Mr. Ram Narayan Singh:** Will Government be pleased to state the number of post and telegraph offices newly started in the past three years in each of the five districts of the Chota Nagpur Division, namely, Ranchi, Hazaribagh, Manbhum, Singhbhum and Palamau?

**Mr. H. A. Sams:** The information required by the Honourable Member is not readily available. It will be collected and supplied to him in due course.

**Mr. Ram Narayan Singh:** Will it be put on the table?

**Mr. H. A. Sams:** Yes. There will be no objection to putting it on the table.



**NUMBER OF MUSLIMS, HINDUS AND SIKHS HOLDING CLERICAL APPOINTMENTS IN POST OFFICES IN PESHAWAR CANTONMENT.**

**984. \*Mian Mohammad Shah Nawaz:** (a) Will Government be pleased to state:

(i) the present number of Muslims, Hindus, and Sikhs holding clerical appointments in the post offices in Peshawar Cantonment and Abbottabad,

(ii) the actual interpretation of the words:

(1) "inequality of communal representation",

(2) "minority and majority communities", and

(3) "prevention of preponderance",

mentioned in the Director General of Posts and Telegraphs' circular letter No. 516/12/27, dated the 22nd November, 1927; and

(iii) how the instructions contained in the letter quoted above are meant to be carried out in the North West Frontier Province?

(b) Is it a fact that in the North West Frontier Province the Muslim community is a majority one, while in communal representation in the postal service they happen to hold a remarkably low percentage of appointments?

(c) Are Government aware that the letter cited above, and letter No. Staff-A.-02229/28, dated the 17th July, 1928, issued by the Director General of Posts and Telegraphs, for removing inequalities in communal representation in the services of the Department, are being used by the Office of the Postmaster General of the Punjab, and the North West Frontier Province solely for the exclusion of Muslims from those services?

**The Honourable Sir Bhupendra Nath Mitra:** (a) (i) Peshawar Cantonment:

22 Muslims,

26 Hindus,

7 Sikhs.

1 Christian,

Abbottabad:

5 Muslims,

14 Hindus,

1 Sikh.

I may mention that Abbottabad is a second class office situated in the Rawalpindi Division and that the composition of the whole Division is taken into consideration in making recruitment.

(a) (ii) and (iii). The instructions quoted by the Honourable Member were framed originally with reference to services recruited on an all-India basis. Their precise application to locally-recruited services is a matter which is at present under further consideration.

(b) It is a fact that in the North West Frontier Province the Muslim community preponderates, and it is also the case that they are not so strongly represented in the postal service.

(c) The reply is in the negative.

### RECRUITMENT OF MUSLIMS TO THE POSTAL SERVICE IN THE NORTH WEST FRONTIER PROVINCE.

985. \***Mian Mohammad Shah Nawaz:** (a) Is it a fact that,

(i) in November last the Postmaster, Peshawar Cantonment, sent up to the Postmaster-General for approval the examination papers of two candidates, one Hindu, and one Muslim, and, although the Muslim candidate had only one mistake in dictation, and the Hindu six, it was the Hindu, with six mistakes, that was accepted, and the Muslim, with one mistake, rejected, and orders issued at the same time that no more papers of Muslim candidates should be sent in; and

(ii) similar orders excluding Muslims have also been given to Peshawar and Derajat Divisions, practically stopping, with effect from 1st April, 1928, the recruitment of Muslims in the North West Frontier Province?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state what modifications they propose to make in the instructions to stop the grave injustice done to the Muslim community, and the discontent prevailing at present among the Muslims of the Province? If not, why not?

**Mr. H. A. Sams:** (a) (i) The facts are substantially correct. I shall take up the matter with the Postmaster-General. With reference to the last sentence, no orders were issued that no more papers of Muslim candidates should be sent in.

(ii) No, Sir.

(b) As (b) presumably refers to part (ii) of (a), it does not arise.

### APPOINTMENT OF MUSLIMS TO SUPERIOR POSTS IN THE OFFICE OF THE DIRECTOR GENERAL OF POSTS AND TELEGRAPHS.

986. \***Mian Mohammad Shah Nawaz:** (a) Will Government be pleased to state:

(i) the present number of Assistant Directors General (acting and permanent hands to be shown separately), working in the Office of the Director General of Posts and Telegraphs in India, and the number of Muslims holding the same, and

(ii) the number of Hindus, and Muslims holding the twenty selection grade appointments, ranging in pay from Rs. 300 to Rs. 750 in the same Office?

(b) In case Muslims are under-represented in the service or are conspicuous by their total absence, will Government be pleased to state what measures they propose to adopt to remove this state of things?

**The Honourable Sir Bhupendra Nath Mitra:** (a) (i) The present number of Assistant Directors General in the Office of the Director General of Posts and Telegraphs is seven. Of these, four are on leave or on deputation, and acting arrangements exist in their place. None of the permanent or acting Assistant Directors General are Muslims, but three belong to other minority communities.

(ii) Out of the twenty posts mentioned, eighteen are held by Hindus and two by Anglo-Indians.

(b) The posts of Assistant Directors General are filled by selection of suitable Superintendents of Post Offices and members of the Superior Traffic Branch; the clerical posts referred to are also normally filled by selection from the lower clerical cadre; and, as was stated by the Honourable Mr. McWatters, in reply to starred question No. 72 and others asked by Mr. Anwar-ul-Azim on the 5th September 1928, promotion from a lower to a higher grade in the Department is determined by efficiency. The due representation of minority communities is secured by the reservation of vacancies occurring in such posts as are filled by direct recruitment; and Government are not prepared to give weight to communal considerations when it is only a question of making promotions.

**Mr. Anwar-ul-Azim:** Will the Honourable Member kindly let us have information in regard to his idea of suitability for promotion in his Department?

**The Honourable Sir Bhupendra Nath Mitra:** I did not catch the question.

**Mr. Anwar-ul-Azim:** The Honourable Member just said that Assistant Directors General are recruited from Superintendents of Post Offices. What criterion does he apply with regard to his idea of suitability for promotion, so far as this promotion is concerned?

**The Honourable Sir Bhupendra Nath Mitra:** I may state for the Honourable Member's information that Assistant Directors General are now appointed on the recommendation of the Public Service Commission.

#### ELIGIBILITY OF MEMBERS OF THE INDIAN CIVIL SERVICE FOR APPOINTMENT AS CHIEF JUSTICES OF THE VARIOUS HIGH COURTS IN INDIA.

987. **\*Mr. M. S. Aney:** (a) Is it a fact that the Secretary of State has introduced in Parliament a Bill to amend section 101 of the Government of India Act, so as to make members of the Indian Civil Service eligible for the office of Chief Justice of the various High Courts in India, on the recommendation of the Government of India?

(b) If so, will Government be pleased to state when the recommendation was made by the Government of India, and when it was agreed to by the Secretary of State, and why no public announcement on the matter has been made so far?

(c) Will Government be pleased to state whether Indian public opinion has, at any time, expressed itself in favour of such a change? If not, at whose instance and in whose interest have Government made the recommendations for the change to the Secretary of State?

(d) Will Government be pleased to state if it is intended to have the question discussed in the Assembly during the present Session?

(e) Are Government aware that the Bill introduced in Parliament has caused great dissatisfaction, and is being strenuously opposed by all the prominent Bar Associations and other public bodies in this country?

(f) Will Government be pleased to state whether they have submitted to the Secretary of State the opinions expressed by the Bar Associations in India, and advised him not to proceed further with the Bill?

(g) Will Government be pleased to place on the table the correspondence that has passed between them and the Secretary of State on the subject?

**The Honourable Mr. J. Orerar:** The Honourable Member is referred to the answers given by me to somewhat similar questions asked during the last Session—Debates Volume III, pages 207-208, 264-265 and 621-622. I have only to add that there has been a sufficiently long interval since the first introduction of the Bill into Parliament and of its recent re-introduction to allow of opinions to be expressed. All expressions of opinion which Government have received have been transmitted to the Secretary of State.

**Diwan Chaman Lall:** May I ask the Honourable Member whether the Government of India have expressed any views on the opinions so far received and transmitted to the Secretary of State for India?

**The Honourable Mr. J. Orerar:** No specific expression of views on the various particular opinions have been made, but the general views of the Government of India regarding the Bill have been communicated to the Secretary of State.

**Diwan Chaman Lall:** May I ask the Honourable Member whether the general views of the Government of India were favourable to the Bill or against the Bill?

**The Honourable Mr. J. Orerar:** They were favourable.

**Diwan Chaman Lall:** May I ask the Honourable Member whether, in view of the opinions now received which are not favourable, the Government of India will alter their opinion?

**The Honourable Mr. J. Orerar:** As I have already explained all the expressions of opinion received by the Government of India have been dealt with and transmitted to the Secretary of State.

**Mr. Gaya Prasad Singh:** Are Government aware that Sir Leslie Scott condemns the proposal of throwing open the post of Chief Justice to members of the Indian Civil Service?

**The Honourable Mr. J. Orerar:** I have seen reports of an expression of opinion by Sir Leslie Scott. Though Sir Leslie Scott is a very distinguished Member of the Bar, he has not had very much experience of judicial administration in India.

**Mr. M. A. Jinnah:** May I ask whether, on this particular point involved in the Bill, the Government of India have formed any opinion and forwarded their opinion to the Secretary of State? I want to know whether, on this point, namely whether Members of the Indian Civil Service should be eligible for Chief Justiceships, the Government of India have transmitted any opinion to the Secretary of State.

**The Honourable Mr. J. Orerar:** Yes, Sir. They have expressed the opinion, that, having regard to the general purpose of the Bill, it would not be proper to maintain a statutory discrimination against Judges who are members of either the Indian Civil Service or the Provincial Civil Service.

**Mr. M. S. Aney:** May I point out to the Honourable Member that the reference, which he has made to previous replies, given to certain questions, does not cover the reply to clause (c) of my question, namely:

"Will Government be pleased to state whether Indian public opinion has, at any time, expressed itself in favour of such a change? If not, at whose instance and in whose interest have Government made the recommendations for the change to the Secretary of State?"

That question is not covered by the replies to previous questions, to which reference has been made.

**The Honourable Mr. J. Orerar:** As regards public opinion, I may say that, apart from Bar Associations and similar bodies, it has not expressed itself very clearly or precisely in the matter. As regards the second part of the clause, I may say, that recommendations were made, as I think Honourable Members are aware, in pursuance of the recommendations of the Civil Justice Committee.

**Mr. M. A. Jinnah:** May I ask the Honourable Member whether, in view of the strong opposition all over India to the proposal that the Members of the Indian Civil Service should be made eligible for Chief Justiceships, the Government of India are prepared to reconsider the position and send their revised representations to the Secretary of State?

**The Honourable Mr. J. Orerar:** The Government of India have given careful consideration to all the representations made to them, and transmitted their views to the Secretary of State. They see no ground to modify their attitude in the matter.

**Diwan Chaman Lall:** May I ask the Honourable Member whether there is a single Bar Association which has sent a representation favourable to the Bill?

**The Honourable Mr. J. Orerar:** I am not aware of that, Sir.

**Diwan Chaman Lall:** May I take it that it is a fact that every Bar Association, that has sent in any representation, has expressed itself in disagreement with both the provisions, namely, firstly, that a Civilian should be appointed as Chief Justice, and secondly, that there should be a minimum quota fixed for Civilians to be Judges?

**The Honourable Mr. J. Orerar:** I think about 20 representations were received from Bar Associations.

**Diwan Chaman Lall:** All against the Bill?

**The Honourable Mr. J. Orerar:** I think that all criticised the measure.

**Mr. K. C. Neogy:** Is the Honourable Member quite sure that any such recommendation was made by the Civil Justice Committee as he stated just now?

**The Honourable Mr. J. Orerar:** I said that the recommendations of the Government of India were made in pursuance of a recommendation of the Civil Justice Committee. I quite admit that the recommendations of the Civil Justice Committee did not touch on one of the provisions of the Bill, but, in the opinion of the Government of India, and

also of the Secretary of State for India, that provision was consequential on the main decision in the matter.

**Mr. K. C. Neogy:** Does the Honourable Member mean the Indian Bar Committee when he refers to the Civil Justice Committee?

**The Honourable Mr. J. Ozerar:** The Honourable Member is correct: it was the Indian Bar Committee and not the Civil Justice Committee.

**Mr. M. A. Jinnah:** Is there any other body of any standing throughout India that supports the attitude which the Government of India have taken in this matter?

**The Honourable Mr. J. Ozerar:** There have been several expressions of opinion in favour of that measure.

**Honourable Members:** From whom?

**The Honourable Mr. J. Ozerar:** But the opinion of the Associations or bodies which expressly forwarded representations in the matter, were generally unfavourable to the Bill.

**Mr. M. A. Jinnah:** Will the Honourable Member mention who were those bodies or Associations or individuals who expressed the opinion which the Government have adopted and transmitted to the Secretary of State?

**The Honourable Mr. J. Ozerar:** I think, Sir, there was a pronouncement by a very eminent Judge not very long ago in favour of the principle that any Judge who has proved his efficiency and learning should be eligible for the Chief Justiceship.

**Diwan Chaman Lal:** A Judge of a High Court is not a body or Association which has given opinion? The question was whether any Association or body made a representation in favour of the Bill.

**Mr. M. A. Jinnah:** May I know the name of that Honourable Judge who has given an opinion in favour of the Bill?

**The Honourable Mr. J. Ozerar:** Sir George Rankin, Chief Justice of the Calcutta High Court. (Laughter and cries of Ah! Ah!)

**Diwan Chaman Lal:** May I ask the Honourable Member whether he will allot a day for discussion of this matter in view of its importance?

**The Honourable Mr. J. Ozerar:** The matter has been public property for a very long time, and more than one opportunity has been afforded to the House to discuss the matter if it so desired.

#### IMPORT OF STEEL SLEEPERS.

988. **\*Pandit Nilakantha Das:** (a) With reference to the answer to my question No. 589 (a) of the 19th February, 1927, will Government be pleased to state the grounds on which steel sleepers are still purchased from outside?

(b) Have all avenues of indigenous supply for cast-iron sleepers been ransacked and exhausted?

**Mr. P. R. Rau:** The question of cast-iron *versus* steel sleepers was fully discussed in the last budget debates; and there is nothing I can add to the remarks made by Mr. Parsons on that occasion.

**NAMES OF COMPANIES REGISTERED IN CERTAIN PROVINCES SINCE THE INDIAN COMPANIES ACT CAME INTO FORCE.**

989. **\*Mr. Siddheswar Prasad Sinha:** (a) Will Government be pleased to state the names of the companies registered with the Registrar of Companies, together with the dates of their registration as companies limited by guarantee, in each of the following provinces, ever since the Indian Companies Act, 1913, has come into force, namely Bombay, Bengal, Madras, Delhi, Punjab, Central Provinces and Berar, Burma, and Bihar and Orissa?

(b) Which of the said companies, limited by guarantee, have filed with the Registrar of each of the said Provinces, either a prospectus or a statement in lieu of a prospectus, under section 103 of the Indian Companies Act?

(c) Have any, and if so which, of such companies made and filed a declaration under section 103 of the said Act?

(d) Have the Registrars of Joint Stock Companies in any of the provinces aforesaid called upon a company limited by guarantee, or its Directors, and if so, which of the companies, to make and file either a prospectus, or a statement in lieu of prospectus, and a declaration, under section 103 of the Indian Companies Act, specifying, in each case, the date on which the requisition was made and when the same was complied with?

**The Honourable Sir George Rainy:** With your permission, Sir, I shall answer questions Nos. 989 to 993 together.

The collection of the information asked for by the Honourable Member would entail much labour in a large number of offices. I shall be glad to inquire into any particular case which the Honourable Member may bring to my notice, where there has been any doubt or difficulty in the administration of section 103 of the Indian Companies Act. I may add that the Government of India are now considering a representation on the subject recently received from the Shri Mahajan Association, Limited, of Bombay.

**POWERS OF REGISTRARS OF JOINT STOCK COMPANIES TO GRANT OR WITHHOLD CERTIFICATES IN CERTAIN CIRCUMSTANCES.**

†990. **\*Mr. Siddheswar Prasad Sinha:** (a) Is it a fact that the trading certificate is issued by the Registrars of the various provinces where a prospectus, or a statement in lieu of a prospectus, is filed by the Registrar as a matter of course?

(b) Will Government be pleased to cite instances of cases where a trading certificate was refused by any of the Registrars of Joint Stock Companies, where the provisions of section 103 of the Indian Companies Act were fully complied with?

(c) Has the Registrar of Companies been given any, and if so what, discretion to either refuse or withhold a certificate from a company, where the provisions of section 103 of the Indian Companies Act, have been complied with?

† For answer to this question, see answer to question No. 989.

**ACTION OF THE REGISTRAR OF COMPANIES, BOMBAY, IN REQUIRING THE SHRI MAHAJAN ASSOCIATION, LTD., TO FILE A PROSPECTUS AND TAKE OUT A TRADING CERTIFICATE.**

†991. **\*Mr. Siddheswar Prasad Sinha:** (a) What are the rights, powers and functions granted to any of the Provincial Governments with regard to requiring a company to make and file either a prospectus, or a statement in lieu of the same?

(b) If any such powers are given to any of the Provincial Governments, will Government be pleased to state when and by what Acts of the Legislature, or by what authority of H. E. the Governor General in Council, and when, and under what circumstances, were such powers given?

(c) Will Government be pleased to lay on the table of the Assembly any correspondence, that might have passed, either with the Registrar of Companies of any of the Provinces, or with any Provincial Government on the subject?

(d) Is it a fact that there are over three dozen companies, limited by guarantee, on the file of the Registrar of Companies, and that, with the exception of a single solitary case, viz., the Shri Mahajan Association Ltd., of Bombay, the Registrar of Companies has never required any company limited by guarantee to make and file either a prospectus, or a statement in lieu of a prospectus, and a declaration, or called upon any such company either to apply for or take out a trading certificate?

**ACTION OF THE REGISTRAR OF COMPANIES, BOMBAY, IN REQUIRING THE SHRI MAHAJAN ASSOCIATION TO TAKE OUT A TRADING CERTIFICATE.**

†992. **\*Mr. Siddheswar Prasad Sinha:** (a) When was *The Shri Mahajan Association, Ltd.*, of Bombay, incorporated and registered as a company limited by guarantee under the Indian Companies Act of 1913?

(b) What are the objects of the said Association, as stated in the Memorandum of the said Association?

(c) Was it the first company of its kind in which the Registrar of Companies drew attention to section 103 of the Indian Companies Act, 1913, by stating that, before commencing any business, the Association would be required to take out a trading certificate under the provisions of the section referred to above?

(d) Has the said Association complied with the requisition of the Registrar in that behalf, and has it done so under protest?

(e) Has a certificate been issued to the said Association, and if so, when? Has the same been withheld, and if so, under what law or orders?

**ACTION OF THE REGISTRAR OF COMPANIES, BOMBAY, IN REQUIRING ONLY THE SHRI MAHAJAN ASSOCIATION TO FILE A PROSPECTUS, ETC.**

†993. **\*Mr. Siddheswar Prasad Sinha:** (a) Have any, and if so, which of the companies limited by guarantee been incorporated and registered with the Registrar of Companies, Bombay, after the 18th of July, 1925?

(b) Has the Registrar of Companies, Bombay, called upon any of such Companies, limited by guarantee, so registered after the date aforesaid, or required any such company or Association to make and file a prospectus



and a declaration, and if so, will Government please name such company or companies or association or associations?

(c) If the reply to part (b) be in the negative, will Government be pleased to give reasons why the said requisition has not been made?

#### IMPROVEMENT OF THE QUALITY OF INDIAN COTTON.

994. **\*Mr. Siddheswar Prasad Sinha:** (a) With reference to the replies to my starred questions on the 25th February, 1929, do Government propose to take any, and if so what, steps for the improvement of the quality of Indian cotton?

(b) What is the average quality of yarn produced by the Indian mills from Indian cotton?

(c) What are the causes that lead to the hampering of the production of yarn of finer counts for the Indian mills from Indian cotton?

(d) What are average prices in India of yarn of (1) 10 counts, (2) 15 counts, (3) 20 counts, (4) 25 counts, (5) 30 counts, (6) 40 counts, (7) 50 counts, and (8) 60 counts?

(e) What is the annual yield of India of cotton producing yarn of 80 counts and above?

(f) Is it not a fact that the Indian cotton has been allowed to deteriorate considerably?

(g) What are the causes that have led to such deterioration?

(h) What is the approximate amount of annual loss to the Indian treasury in cotton as excise duty by reason of such deterioration?

(i) Is it a fact that considerably larger railway and transport facilities are given to the foreign shippers of cotton than to the cotton growers and consumers of cotton in India?

(j) What are the facilities given to the large shippers and exporters of cotton in the shape of supply of wagons and concessions of freight by the Great Indian Peninsula and Bombay, Baroda and Central India Railways?

(k) What is the average yield of cotton per acre in the Indian fields?

**Mr. G. S. Bajpai:** With your permission I shall answer questions Nos. 994 and 999 together. I am not sure, Sir, whether all the information asked for by the Honourable Member is available, but I shall endeavour to supply him with as much of it as can be readily and conveniently collected.

#### UTILIZATION OF PROPERTY VESTED IN THE GOVERNMENT OF BOMBAY FOR THE BENEFIT OF THE COTTON TRADE.

995. **\*Mr. Siddheswar Prasad Sinha:** (a) With reference to the replies given to my starred question No. 762, on 25th of February, 1929, will Government be pleased to state whether the Bombay Cotton Contract Act, 1922 (XIV of 1922), is the immediate result of the repeal of the Cotton Contract Act (war measure), being Bombay Act I of 1919?

(b) What is the nature of the amount of property and net sum vested in the Bombay Government under section 4 of Bombay Act III of 1922?

(c) How has the said property been utilised for the benefit of the cotton trade of the City of Bombay?

(d) What has become of the said property?

(e) Is it not a fact that the Bombay Government made over the said property, which was Rs. 5,09,981-18-0 to the East India Cotton Association, and the latter utilised it in writing off huge depreciations of their Cotton Ha'l at Sewri?

**The Honourable Sir George Rainy:** (a) I would refer the Honourable Member again to the Statement of Objects and Reasons appended to the Bombay Cotton Contracts Bill.

(b) to (e). The information desired by the Honourable Member is not in the possession of the Government of India.

#### VIOLATION OF THE PROVISIONS OF THE INDIAN COMPANIES ACT BY THE EAST INDIA COTTON ASSOCIATION.

996. **\*Mr. Siddheswar Prasad Sinha:** (a) With reference to the reply given by Government to part (b) of my starred question No. 762 on the 25th of February, 1929, will Government be pleased to state whether it is a fact that the Association formed under Bombay Act, No. XIV of 1922, called the East India Cotton Association, has also violated the provisions of the Indian Companies Act, viz., that it has not given to its members the right to meet in an Ordinary General or Extraordinary General Meeting, but has allocated the said function to a representative Committee?

(b) Is it a fact that the extension of three years' period of the said Act was given for a further period of five years, in opposition to the wishes of the trade?

(c) Is it a fact that the Bombay Millowners Association were opposed to such extension of five years?

(d) Is it a fact that the Bombay Chamber of Commerce were also opposed to such extension for five years?

(e) Will Government state the reasons why they were so opposed?

(f) Is it a fact that in 1926, the Bombay Government, on the two memorials submitted to them on behalf of Shri Mahajan Association, Ltd., wrote to the said Association promising an inquiry into the administration of the said Act by the East India Cotton Association?

(g) Have the Bombay Government done so, and if not, why not?

(h) Is it a fact that complaints against the rules and administration of Bombay Act, XIV of 1922, have been many and frequent?

**The Honourable Sir George Rainy:** (a) As the Honourable Member has already been informed in reply to his starred question No. 892 of the 5th March, 1929, the Local Government has been asked for a report in the matter.

(b) to (h). The information desired by the Honourable Member is not in the possession of the Government of India.

**DATE OF ASSENT TO BOMBAY ACT III OF 1922, AND TO INTRODUCTION OF THE BOMBAY COTTON CONTRACT BILL IN THE BOMBAY LEGISLATIVE COUNCIL.**

997. **\*Mr. Siddheswar Prasad Sinha:** (a) Is it a fact that the assent of the Governor General to Bombay Act, III of 1922, was received in the month of May, 1922?

(b) What was the date, on which the Government of Bombay applied for the previous sanction of the Governor General, as required by sub-section (3) of section 80-A, of the Government of India Act, to the introduction of a bill in the Bombay Legislative Council known as "Bombay Cotton Contract Bill"? What were the reasons assigned by the Government of Bombay for introducing the said Bill in the said Council? On what day was the required sanction given?

**The Honourable Sir Brojendra Mitter:** (a) Bombay Act III of 1922 received the assent of the Governor General on the 26th April, 1922.

(b) Application for the previous sanction of the Governor General under sub-section (3) of section 80-A of the Government of India Act to the Bombay Cotton Contracts Bill, subsequently enacted as Bombay Act XIV of 1922, was made by the Government of Bombay, in a letter dated the 7th July, 1922, and the sanction in question was conveyed in a telegram dated the 19th July, 1922. The reasons for the introduction of the Bill will be clear to the Honourable Member from the Statement of Objects and Reasons published in the Bombay Government Gazette of the 21st July, 1922, and from the proceedings of the Bombay Legislative Council for the 25th July, 1922.

**SPECULATIVE TRANSACTIONS IN COTTON CARRIED ON BY MEMBERS OF THE EAST INDIA COTTON ASSOCIATION.**

998. **\*Mr. Siddheswar Prasad Sinha:** (a) Is it a fact that, under bye-law, or rule 48, framed under the Bombay Act XIV of 1922, speculative transactions known as "Kutchha Kandi" are prohibited?

(b) Is it not a fact that a very large number of members of the East India Cotton Association of Bombay, Ltd., in violation of the aforesaid rule, carry on such cotton transactions up till now?

(c) Will Government state the steps, if any, taken by the said Association for prevention of the said speculative transactions?

(d) Is it not a fact that one of the said steps, so taken, is that the said Association has thrown open the cotton transactions all the 24 hours round?

(e) Is it a fact that the Millowners' Association of Bombay have raised a strong protest against the business hours of trade not being observed properly under the rules of Bombay Act XIV of 1922?

(f) Will Government state if there are any other bazaars in India which carry on their trade for all the 24 hours?

**The Honourable Sir George Rainy:** (a) to (f). The information desired by the Honourable Member is not in the possession of the Government of India.

## DEVELOPMENT AND USE OF INDIAN COTTON IN INDIAN MILLS.

†999. \***Mr. Siddheswar Prasad Sinha:** (a) What is the percentage of Indian cotton to the total consumption of cotton in the Bombay mills and other Indian mills?

(b) Where is the remaining cotton imported from, and why is foreign cotton used when Indian cotton is exported to other countries?

(c) What steps have been taken by the Government to improve the staple of cotton grown in India? If any steps have been taken, will the Government be pleased to state the result of it? If no steps have been taken, why not?

## DISPOSAL OF THE BALANCE OF FUNDS OF THE BOARD CREATED UNDER THE BOMBAY COTTON CONTROL ACT.

1000. \***Mr. Siddheswar Prasad Sinha:** (a) Is it a fact that a sum of Rs. 5,00,000, the balance of the funds of the Board created under the Bombay Cotton Control Act, was handed over to the East India Cotton Association, Ltd.?

(b) Why was the tax, collected under a war measure, given to it?

(c) Is it a fact that the property of the Bombay Cotton Control Act was to be spent for the benefit of the cotton trade of the City of Bombay, under provisions of Bombay Act No. III of 1922?

(d) Is it a fact that the said amount of over five lakhs, was all spent in writing off the 58 per cent. depreciation of a single building known as Sewri Hall?

(e) If so, will Government be pleased to state how the cotton trade of the City of Bombay has been benefited by depreciation of one building to the extent of 58 per cent. only, during the two years, being written off?

(f) Is it a fact that another further depreciation of this building to the extent of 10 to 11 per cent. has been subsequently written off?

**The Honourable Sir George Rainy:** (a) and (b). The information desired by the Honourable Member is not in the possession of the Government of India.

(c) Yes.

(d) to (f). The information desired by the Honourable Member is not in the possession of the Government of India.

## BYE-LAWS OF THE EAST INDIA COTTON ASSOCIATION.

1001. \***Mr. Siddheswar Prasad Sinha:** (a) Has the attention of Government been drawn to the fact that contracts which do not conform to the bye-laws of the East India Cotton Association are void?

(b) Is it a fact that the bye-laws of the East India Cotton Association do not give a right to the purchaser to buy on account of the defaulting seller, but his forward transactions are automatically cut at the rates fixed by the Board arbitrarily?

**The Honourable Sir George Rainy:** (a) The Government are aware that contracts which contravene the bye-laws made by the Board of Directors of the East India Cotton Association, subject to the sanction of the Governor in Council, under Section 3 of the Bombay Cotton Contracts Act of 1922, are void under Section 5 of the Act.

(b) The Government have asked to be furnished with the latest copy of the bye-laws, but they have not yet been received.

**REPRESENTATION OF COTTON GROWERS ON THE PANELS OF THE EAST INDIA COTTON ASSOCIATION.**

1002. **\*Mr. Siddheswar Prasad Sinha:** With reference to the answer given by Government to part (c) of my starred question No. 762 on the 25th February, 1929, will Government be pleased to state whether it is a fact that the cotton growers, as such, have no representation on any of the panels of the East India Cotton Association?

**The Honourable Sir George Rainy:** Under Article 7 of the Articles of Association, the general qualification for membership is to have traded in cotton in Bombay for a period of not less than 3 years, and to have a place of business in Bombay. And under Article 29, the members are classed in six electoral panels as follows:—

1. Millowners,
2. Exporters,
3. Importers,
4. Commission Agents,
5. Muccadums,
6. Brokers.

**SANCTION OF ADDITIONAL CLERKS FOR POSTS AND TELEGRAPHS DEPARTMENT IN BENGAL AND ASSAM.**

1003. **\*Mr. S. O. Mitra:** (a) Will Government please state how many clerks, justified by the time test in vogue in the Posts and Telegraphs Department there, are in the Bengal and Assam Circle, Division by Division?

(b) What is the number of clerks approved under the present time test and the time when they have been approved?

(c) What is the number of clerks sanctioned up till now?

(d) Is it a fact that sanction of approved clerks is being delayed for paucity of funds?

(e) If so, will Government be pleased to state when sufficient funds are expected to be placed at the disposal of the head of the Assam Postal Circle for sanctioning all the approved appointments?

(f) Do Government propose to compensate the overworked staff by sanctioning overtime allowances for the offices, which justify additional hands? If not, why?

**Mr. H. A. Sams:** (a), (b) and (c). Government have no information. They do not propose to call for it, as it would not justify the labour involved, especially as a new time test is likely to be applied in the near future.

(d) Government are not aware that this is the case. The funds put at the disposal of the Postmaster-General, Bengal and Assam, for 1928-29, were more than he originally asked for.

(e) There is no circle called "The Assam Postal Circle". As already explained in my reply to part (d), the funds already placed at the disposal of the Postmaster-General, Bengal and Assam, are *prima facie* sufficient.

(f) No. The remedy lies in sanctioning sufficient staff. As far as Government are aware, this has been or will be done.

#### APPOINTMENT OF UNQUALIFIED CANDIDATES TO THE FARIDPUR DIVISION OF THE POSTAL SERVICE.

1004. \***Mr. S. C. Mitra:** (a) Will Government be pleased to state the minimum standard of educational qualification required of a candidate for appointment to the clerical cadre of the Postal Department?

(b) Is it a fact that a non-matriculate has been taken in as a learner in the Faridpur Division in March, 1928? If so, how and why?

(c) Is it a fact that the Director General issued orders to the effect that candidates belonging to one Revenue Division should not be taken in another Revenue Division?

(d) Has the order since been modified? Was the recruitment of two candidates belonging to the Chittagong and Burdwan Revenue Division effected in the Faridpur Postal Division under the Dacca Revenue Division? If so, how?

**Mr. H. A. Sams:** (a) Ordinarily the minimum educational standard required is the matriculation examination of a recognised University, or its equivalent. A lower standard has been allowed for candidates in backward districts, where those who have not passed any University examination are recruited, as a special case, and are required to pass a departmental test in English dictation, the vernaculars of the postal circle and simple arithmetic.

(b) I have no information, but am making inquiries and will inform the Honourable Member in due course.

(c) Yes: but an exception is made in the case of cities like Bombay and Calcutta, where candidates belonging to the adjacent Revenue Divisions are also eligible for appointment in such cities.

(d) The order has not been modified. I have no information respecting the second part of the Honourable Member's Question, but an inquiry is being made and the result will be communicated to the Honourable Member.

#### RECONSTRUCTION OF THE FARIDPUR HEAD POST OFFICE BUILDING.

1005. \***Mr. S. C. Mitra:** (a) Will Government be pleased to state whether the Faridpur head office building has been condemned by several Postmasters-General one after another, as being ill-ventilated, ill-accommodated and insanitary?

(b) How long has the question of reconstruction of the building been pending?

(c) When are the necessary funds for the building expected to be allotted and the work to be taken up and completed?

**Mr. H. A. Sams:** (a) Several Postmasters-General have regarded the accommodation in the office as inadequate and criticised the building as unsuitable for a post office, but Rai Bahadur H. K. Raha, lately the head of the Circle, re-examined the question carefully in January, 1928, and came to the conclusion that the space in the office was quite sufficient, and that, by making certain internal structural alterations, and constructing fresh residential quarters for the Postmaster, the office would be improved out of all recognition, and sufficient floor space be secured for future expansion. These views were accepted by the Director General.

(b) Successive proposals for additions and alterations have been under consideration since 1920. Rai Bahadur H. K. Raha's scheme has been pending since February 1928.

(c) Endeavour will be made to allot funds in 1929-30 and the Postmaster-General, Bengal and Assam, will be instructed to carry the work described in (a) to completion, if possible in that year.

#### INADEQUACY OF THE PAY OF EXTRA DEPARTMENTAL AGENTS OF THE POSTAL DEPARTMENT.

1006. **\*Mr. S. C. Mitra:** (a) Is it a fact that the Postal Union represented to the Government that the pay of the Extra Departmental Agents is inadequate?

(b) Is it a fact that the pay of the subordinate staff of the Postal Department has recently been revised, and the Extra Departmental Agents have been entirely deprived of the benefit?

(c) Will the Government please state the reason why these men have been left out of the revision?

(d) Are Government prepared to consider their case and revise the pay? If so, when?

**Mr. H. A. Sams:** (a) Yes. A reference is, however, invited to the reply given on the 7th March of 1928, to part (a) of the Honourable Member's unstarred question No. 311 in the Legislative Assembly.

(b) Yes.

(c) and (d). Extra Departmental Agents are not wholetime servants of Government and they are paid only certain allowances by this Department for doing post office work during their leisure hours, or in addition to their occupations. Government understand that, in most parts of the country, there is keen competition for these extra-departmental agencies. Their allowances were last revised in 1921, and Government do not consider that any further increase is justified.

#### PAY OF MAIL GUARDS OF THE RAILWAY MAIL SERVICE.

1007. **\*Mr. S. C. Mitra:** (a) Is it a fact that the pay of the mail guards was Rs. 15 and Rs. 20 and that of branch postmasters Rs. 15, prior to the introduction of time scale of pay?

(b) Is it a fact that the mail guards were given a time-scale of pay of Rs. 20—35 and branch postmasters Rs. 20—32 on the recommendation of the Postal Inquiry Committee?

(c) Is it a fact that a time-scale of pay of Rs. 40—80 has been sanctioned for branch postmasters and Rs. 20—40 for mail guards?

(d) Is it a fact that, since the creation of the Railway Mail Service, the pay of the mail guards was not lower than that of branch postmasters? If so, will Government please state the reason why the status of the mail guards has been lowered?

(e) Are Government prepared to reconsider their case and sanction at least the same scale of pay sanctioned for branch postmasters? If not, why?

**The Honourable Sir Bhupendra Nath Mitra:** (a) No. Before the introduction of the time-scale, different rates of pay were sanctioned for different localities which, together with allowances, ranged between Rs. 18 and Rs. 34 in the case of mail guards, and Rs. 14-8-0 and Rs. 45 in the case of branch postmasters.

(b) The fact is not as stated. Different time-scales of pay were recommended for different localities, ranging between Rs. 20 and Rs. 85 in all places (except in Bombay City, where the maximum pay recommended was Rs. 45), in the case of mail guards, and Rs. 24 and Rs. 85 in the case of branch postmasters. The scales as recommended by the Postal Committee were sanctioned by Government.

(c) Yes, in certain localities.

(d) No, different rates obtained in different localities, as stated above in reply to part (a) of the question. No reduction in the status of mail guards has been effected.

(e) No, because the duties of mail guards are, on the whole, less onerous and less responsible than those of branch postmasters. The Honourable Member's attention is invited, in this connection, to the reply given to Mr. G. Sarvotham Rao's starred question No. 347 on the 7th March, 1928.

#### GRIEVANCES OF SORTERS AND PEONS OF N. 5 SECTION OF THE RAILWAY MAIL SERVICE AT KHARAGPUR.

1008. **\*Mr. S. O. Mitra:** (a) Is it a fact that one room has been allotted to the sorters and van peons of N. 5 section at Kharagpur as a rest house?

(b) Is it a fact that the officials have no separate kitchen and that the cooking of food is also done in the same room?

(c) Is it a fact that the sorters have no attendant? If so, what is the reason of not permitting an attendant as is done in other cases?

(d) Will the Government please say whether they are prepared to remove their hardship? If not, why not?

**Mr. H. A. Sams:** The information is not available but will be obtained and communicated to the Honourable Member.

#### INCREASE OF BOAT HIRE AND ROWERS' ALLOWANCE FOR POSTMEN SERVING IN RIVERINE DISTRICTS.

1009. **\*Mr. S. O. Mitra:** (a) Is it a fact that the boat hire and rowers' allowance, sanctioned for the postmen in riverine districts, is much lower than that sanctioned by the Local Government for the process servers and other men in inferior service in civil and criminal Courts of Bengal?

(b) Has the attention of the Government been drawn to the articles entitled " Monsoon charges in East Bengal " published at page 416 of



*Labour*, dated January, 1928? If so, will the Government please state what action has been taken or is proposed to be taken for redressing the grievances complained of?

**Mr. H. A. Sams:** (a) Government have no information but an inquiry is being made.

(b) Yes. The matter is under my consideration.

**PAY OF THE EXISTING OFFICIALS OF THE POSTAL DEPARTMENT  
UNAFECTED BY RECENT REVISION.**

**1910. \*Mr. S. C. Mitra:** (a) Is it a fact that Government did not consider the length of service of the existing officials of the Postal Department in giving effect to the revision recently sanctioned, and that, in consequence, the existing officials did not derive any benefit from the revision which might be beneficial to the new recruit?

(b) Is it a fact that the representatives of the Postal Union waited in deputation on the Honourable Member in charge of the Department of Industries and Labour and urged the necessity of sanctioning a suitable time-scale of pay to the existing staff who are hard hit?

(c) Is it not a fact that the Honourable Member accepted the deputation and assured it that he would remove the reasonable grievances of the existing staff?

(d) With reference to the assurance to consider the case of the existing staff, given by the Honourable Member to Mr. N. C. Kelkar and other Members of the Assembly during the debate on postal matters in the Assembly, will Government please state what consideration has been made by the Honourable Member?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Length of service was not taken into account, but the consequence was not as stated. Pay was revised under the provisions of the Fundamental Rules, and there was a general benefit to those concerned.

(b) It is a fact that a deputation of the All-India (including Burma) Postal and Railway Mail Service Union waited on me in March, 1925, and represented, among other grievances, the inadequacy of the time-scales of pay then in force. Since that time, the scales of pay for the non-gazetted staff generally have been considerably improved.

(c) I received the deputation and gave them a sympathetic hearing; but I have no recollection of having given any assurance of the precise nature mentioned by the Honourable Member nor is there any record of such an assurance.

(d) I cannot trace any assurance of the nature referred to by the Honourable Member. On the other hand I said, in the course of the debate on the 11th March, 1927, that it would be impossible to make any special concessions in the direction of exemption from operation of general service rules, etc.

**Mr. President:** The question whether the hearing was sympathetic or not is a matter of opinion. (Laughter.)

**EXEMPTION OF SENIOR OFFICIALS IN THE POSTAL SERVICE FROM THE  
TEST FOR PROMOTION TO THE SELECTION GRADE.**

1011. \***Mr. S. C. Mitra:** (a) Is it a fact that the Director General of Posts and Telegraphs has introduced an examination system for recruitment from the officials in the time-scale of pay in the lowest selection grade of Rs. 160—10—250?

(b) Is it a fact that the officials in the time-scale of pay used to get promotion to the selection grade of Rs. 145—5—170 and Rs. 175—10—225, which have, subsequently been converted into a selection grade of Rs. 160—10—250?

(c) Will Government please state the reason for the departure from the old practice and for the introduction of this new innovation?

(d) Is it a fact that the senior officials, who have rendered long service, i.e., more than 20 years of service, and who have attained the age of 40 years and above, have been directed to sit for this examination?

(e) Is it a fact that the Postal Union requested the Government to exempt, at least the senior officials, who have attained the age of 40 years and above, from appearing at this examination, in view of the fact that it is not practicable for these officials to get by heart the rules of the Department at such an advanced age, and that they are subjected to anxieties and worries due to family entanglements?

(f) Is it a fact that the Accountant General, Posts and Telegraphs, exempted officials above 40 years of age from appearing at the examination?

(g) Are Government prepared to consider the case of these senior officials and exempt them from appearing at the examination and allow them to get into the selection grade according to seniority in service? If not, why not?

**Mr. H. A. Sams:** (a) An examination for the selection of officials in the time-scale of pay, not for recruitment, but for promotion, to the lowest selection grade is being introduced.

(b) Yes, if they were selected as fit.

(c) The new system is being introduced in the interests of efficiency, in accordance with an arrangement which was explained to the Standing Finance Committee at their meeting on the 28th January, 1927.

(d) When final orders are passed the fact would probably be as stated.

(e) If by the term "Postal Union" the Honourable Member refers to the "All-India (including Burma) Postal and R. M. S. Union," the statement in the first half of the question is substantially correct. With reference to the second half, Government do not require the examinees to know the rules by heart. Government do not consider that the circumstances alluded to at the end of this question justify exemption.

(f) The exemption referred to by the Honourable Member related to the first examination, held by the Accountant General, Posts and Telegraphs, for the efficiency bar in his own Office and not to a selection grade examination.

(g) The question has been fully considered and Government are not prepared to grant to these senior officials the exemption suggested. Seniority in service does not in itself give any right to promotion to selection

grade posts, and Government are not prepared to allow any exception to this general rule.

**APPOINTMENT OF ADDITIONAL STAFF FOR RAILWAY MAIL SECTIONS AND CERTAIN POST OFFICES.**

1012. \***Mr. S. C. Mitra:** (a) Is it a fact that the Government have prescribed a time test for determining the staff of the post offices and Railway Mail Service sections?

(b) Will Government please state whether they have directed the Director-General, Posts and Telegraphs, or the Circle officers to sanction staff justified by the time test?

(c) Is it a fact that the post offices and Railway Mail Service sections do not get the staff justified by the time test and the existing staff have to manage the duties of the additional staff so justified? If so, will Government please state the reason why they do not sanction staff justified by the time test prescribed by them?

(d) Is it a fact that about 150 officials for the Town Sub-Offices in Calcutta and different departments of the Calcutta General Post Office are justified by the existing time test and that the Presidency Postmaster, Calcutta, submitted proposals for sanctioning the staff in March and April, 1927?

(e) Is it a fact that no additional staff has yet been sanctioned, though about a year has elapsed since the date of submission of the proposal? If so, why?

(f) Are Government prepared to issue orders to the Circle officers to sanction staff justified by the time test immediately on receipt of the proposals? If not, why not?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Yes.

(b) The Director General and Heads of Circles have been empowered by Government to sanction staff justified by the time test, subject to the existence of budget provision.

(c) Government are not aware that the position is as stated.

(d) and (e). Government have no information, but will make an inquiry and will communicate the result to the Honourable Member.

(f) Government do not consider it necessary to issue such orders. The Director General, however, will inquire from Heads of Circles whether they are satisfied that the offices and sections are properly staffed according to the time test.

**GRANT OF SUNDAY AND HOLIDAY ALLOWANCES TO POST OFFICE EMPLOYEES.**

1013. \***Mr. S. C. Mitra:** (a) Has the attention of the Government been drawn to the article published in *Labour* at page 353 of November, 1927, regarding sanction of Sunday and post office holiday allowance?

(b) Is it a fact that the Honourable Member in charge of the Department of Labour and Industries, after discussing the question with members of the All-India Postal Deputation, which waited on him in March, 1925, assured them that it would receive his sympathetic consideration?

(c) Will the Government please state when the decision on the matter is expected to be made?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Yes.

(b) and (c). The attention of the Honourable Member is invited to the reply to starred question No. 324 asked by Mr. Fazal Ibrahim Rahimtulla on the 27th February, 1928. I shall try to expedite a decision.

#### GRANT OF HOUSE-RENT ALLOWANCE TO OFFICIALS ON THE TIME-SCALE IN THE POST OFFICE IN CALCUTTA.

1014. **\*Mr. S. O. Mitra:** (a) Is it a fact that the gazetted officers and officials in the selection grade in the Postal Department in Calcutta are paid compensatory allowance?

(b) Is it a fact that postmen and men in inferior service in Calcutta are paid house-rent allowance?

(c) Is it a fact that the officials of the time-scale in Calcutta, who also work in the post office under the same conditions and under the same administrative officer, do not enjoy the concession? If so, are Government prepared to consider the case of these officials, and issue orders for the payment of compensatory or house-rent allowance to these officials? If not, will Government state the reasons for perpetuation of this differential treatment?

**The Honourable Sir Bhupendra Nath Mitra:** (a) and (b). Yes.

(c) The reply to the first part is in the affirmative. As regards the rest of the question, the answer is that the rate of pay referred to, which was introduced in recent years with the approval of the Standing Finance Committee of this House, is a local rate for Calcutta fixed on the basis that no compensatory or house-rent allowance would be given in addition.

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#### UNSTARRED QUESTIONS AND ANSWERS.

##### NUMBER OF OFFICERS POSTED TO REPORT ON THE INTRODUCTION OF THE SCHEME OF THE RAILWAY CLEARING ACCOUNTS OFFICE AND THEIR RECOMMENDATIONS.

296. **Maulvi Badi-uz-Zaman:** (a) Will Government be pleased to state how many special officers were posted to report on the introduction of the scheme of the Railway Clearing Accounts Office?

(b) Did any of the officers recommend the checking of outward documents when the freight is collected at destination? If not, what conditions led to the introduction of such a check?

(c) Did any officers recommend the allowance of refunds and public claims without any check?

(d) What steps have been taken to introduce machine accounting in the Railway Clearing Accounts Office?

**Mr. P. R. Rau:** (a) Two officers.

(b) The answer to the first part of the question is in the affirmative. The second part therefore does not arise.

(c) No.

(d) The Honourable Member's attention is invited to Annexure 'A' to the Explanatory Memorandum on the Railway Budget for 1927-28.

#### RULES FOR RECRUITMENT OF THE SUBORDINATE ESTABLISHMENT OF THE RAILWAY CLEARING ACCOUNTS OFFICE.

**297. Maulvi Badi-uz-Zaman:** (a) Have Government prescribed any rules for recruitment of subordinates in the Railway Accounts Offices?

(b) If the reply to part (a) is in the affirmative, when do Government propose to publish them?

(c) Do Government propose to entrust to the Public Service Commission the duties of holding the examination for recruitment to the Railway Clearing Accounts Office, and for supplying a list in order of merit of the successful candidates to the recruiting authorities?

(d) Do Government propose to order that no officers of the offices concerned should be posted as examiners?

(e) What proportion of posts in the superior revenue establishment of the Railway Accounts Offices do Government propose to give to Muslims to avoid preponderance of any one community?

**Mr. P. R. Rau:** (a) and (b). It is hoped that the rules for recruitment will be published some time this month.

(c) It is proposed to entrust to the Public Service Commission the recruitment to the Railway Accounts Service, when constituted; but it is not considered necessary to have the examination for clerical posts to be conducted by them.

(d) No.

(e) Government propose to follow, in the case of the Railway Accounts Service, when it is constituted, the same principles of recruitment as in the case of other services. The detailed rules are at present under consideration.

#### APPOINTMENT OF MUSLIMS TO THE RAILWAY CLEARING ACCOUNTS OFFICE.

**298. Maulvi Badi-uz-Zaman:** 1. Will Government be pleased to state:

(a) when filling the posts of accountants and their assistants, which are 63 in all, will 33 per cent. be filled from subordinate grades?

(b) whether at least seven Muslim subordinates with necessary qualifications would be forthcoming to fill one-third of the posts for Muslims?

(c) whether, if they are not available in Railway Accounts Department, trained hands from other accounts departments will be given a chance for promotion?

2. Do Government propose that, out of the remaining 42 posts, eventually 14 posts will be allotted to Muslim graduates who have already applied, and whose applications have been forwarded by the Financial Commissioner, Railways, to the Controller for consideration?

**Mr. P. R. Rau:** 1. (a) Except in the first year, when the percentage will probably be higher, it is intended to fill 20 per cent. of the vacancies in each year by promotion from the subordinate grades.

(b) No posts in the superior service will be definitely reserved for particular communities.

(c) Yes.

2. No.

#### ADOPTION OF THE NOMINATION SYSTEM FOR RECRUITMENT TO THE RAILWAY CLEARING ACCOUNTS OFFICE.

299. **Maulvi Badi-uz-Zaman:** Do Government propose to introduce the nomination system, as was adopted by Government a few years ago, in the case of recruitment in the Railway Accounts Department?

**Mr. P. R. Rau:** No.

#### CONSULTATION OF AND RECOMMENDATIONS BY MEMBERS OF THE LEGISLATIVE ASSEMBLY IN REGARD TO CANDIDATES FOR APPOINTMENT OR TRAINING.

300. **Maulvi Badi-uz-Zaman:** (a) Did any officer on behalf of the Financial Commissioner, Railways, write to any Hindu Member of the Legislative Assembly in November, 1928, that he was desirous of appointing a candidate through his agency?

(b) Is this procedure ever followed by Government for selection or nomination?

(c) Did any Muslim member recommend to Mr. Hayman in the same month any candidate for the training school started at Calcutta?

(d) Will Government be pleased to lay on the table a copy of the reply sent to him on 23rd November, 1928?

**Mr. P. R. Rau:** (a) Yes.

(b) Not usually.

(c) Yes.

(d) I am sending the Honourable Member a copy of the reply referred to.

#### UNEQUAL PROPORTION OF DIFFERENT COMMUNITIES IN THE RAILWAY CLEARING ACCOUNTS OFFICE.

301. **Maulvi Badi-uz-Zaman:** Do Government propose to make up the deficiency of the proportion of the different communities in the Railway Clearing Accounts Office?

**Mr. P. R. Rau:** Government propose to fill one-third of the vacancies in the subordinate ranks on a basis that will rectify communal inequalities.

**AMOUNT OF SAVING ANTICIPATED BY THE ESTABLISHMENT OF THE RAILWAY  
CLEARING HOUSE.**

**302. Maulvi Badi-uz-Zaman:** (a) Is it a fact that the Standing Finance Committee for Railways was given to understand, at the time when they accepted the proposal of the Clearing House, that there would be a saving of 80 per cent. in the cost of establishment?

(b) Do Government propose to lay on the table a statement comparing the savings anticipated with those effected, other than those mentioned in Volume V of the proceedings of the Standing Finance Committee for Railways?

**Mr. P. B. Rau:** (a) No.

(b) The statement contained in the proceedings of the Standing Finance Committee, Vol. V, No. 6, gives a full comparison, and Government do not consider a further statement necessary.

**NUMBER OF STATION TO STATION CARD PASSES UTILIZED FOR THE RAILWAY  
CLEARING ACCOUNTS OFFICE.**

**303. Maulvi Badi-uz-Zaman:** How many station to station card passes are being utilized in the Railway Clearing Accounts Office and what amount is debited to it in this respect on account of their cost?

**Mr. P. B. Rau:** The number of card passes in use at present is forty-six. No debit is made against the Office on this account.

**EMPLOYMENT OF MUSLIM CONTRACTORS IN THE SIMLA IMPERIAL CIRCLE  
OF THE PUBLIC WORKS DEPARTMENT.**

**304. Maulvi Badi-uz-Zaman:** (a) Will Government be pleased to state whether an approved list of contractors is maintained in both the divisions of the Public Works Department of the Simla Imperial Circle?

(b) If so, will Government be pleased to state how many of them are Muslims, and what was the total amount of work carried out by those two divisions, and how much out of it was done by Muslims?

(c) Is it a fact that S. Rur Singh, Sub-Divisional Officer, Imperial West Division, is employing his relatives for all work under him?

(d) What relation is S. Mihr Singh to the above-mentioned Sub-Divisional Officer?

(e) Will Government be pleased to lay on the table a statement showing the number of Muslims in the Simla Imperial West Division employed as officers, subordinates and menials?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Yes.

(b) (i) 82.

(b) (ii) Period for which information is required is not stated, but the figures for 1927-28 were as follows:—

	Rs.
Total amount of works carried out	... 8,71,621
Amount of works done by Muslim	... 1,41,590

- (c) No.
- (d) None.
- (e) Officers—Nil.  
Subordinates—1.  
Menials—4.

**REASONS FOR DISQUALIFICATION OF CERTAIN CONTRACTORS IN THE  
SIMLA IMPERIAL CIRCLE OF THE PUBLIC WORKS DEPARTMENT.**

**305. Maulvi Badi-uz-Zaman:** (a) Is it a fact that most of the approved contractors have been discarded and black marked by S. Rur Singh in the Simla Imperial West Division?

(b) If so, will Government be pleased to give definite and strong reasons with remarks by the Industries Department in a statement showing all the contractors who have been disqualified in the Simla Imperial Circle?

**The Honourable Sir Bhupendra Nath Mitra:** (a) No.

(b) Does not arise.

**METHOD OF ACCEPTANCE OF TENDERS FOR WORK CONNECTED WITH THE  
VICEREGAL ESTATE, SIMLA.**

**306. Maulvi Badi-uz-Zaman:** (a) Is it a fact that all work constructed under the Superintendent, Viceregal Estate, Simla, is carried out under nominal tenders and by one Mukand Singh, contractor, only?

(b) Is it a fact that generally, on all the dates on which the tenders are invited, the Superintendent is out of the station, and the tender is accepted by a non-gazetted officer? If so, is this against the Government rules?

**The Honourable Sir Bhupendra Nath Mitra:** (a) and (b). No.

**SAFEGUARDING OF THE INTERESTS OF THE MUSLIM COMMUNITY IN THE  
PUBLIC WORKS DEPARTMENT IN THE SIMLA IMPERIAL WEST DIVISION  
AND VICEREGAL ESTATE.**

**307. Maulvi Badi-uz-Zaman:** What steps do Government propose to take to safeguard the interests of the Muslim community with regard to work, establishment and payment in the Public Works Department in the Simla Imperial West Division and Viceregal Estate?

**The Honourable Sir Bhupendra Nath Mitra:** So far as Government are aware the interests of the Muslim community are at present sufficiently safeguarded.

**COMPARISON OF CERTAIN ITEMS OF WORK DONE BY THE RAILWAY  
CLEARING ACCOUNTS OFFICE AND BY THE AUDIT OFFICE PREVIOUS  
TO THE INTRODUCTION OF THE NEW SCHEME.**

**308. Maulvi Badi-uz-Zaman:** (a) Will Government be pleased to lay on the table a statement showing the number of error sheets as regards goods, coaching, parcel, and luggage issued and withdrawn by the Railway Clearing Accounts Office in the last two years, comparing it with the Audit Office for a couple of years before the introduction of the Clearing House scheme?



(b) Will Government be pleased to lay on the table a statement showing the amount of public claims passed and rejected by the Clearing House in the last two years, comparing it with that of the Audit Office for a couple of years before the introduction of this scheme?

**Mr. P. R. Rau:** (a) and (b). Government regret that they are not prepared to undertake the laborious compilation suggested by the Honourable Member.

**AMOUNT OF SAVING EFFECTED IN THE RAILWAY CLEARING ACCOUNTS OFFICE BY INTRODUCTION OF METHODS RECOMMENDED BY SIR A. L. DICKINSON.**

**309. Maulvi Badi-uz-Zaman:** (a) Have the recommendations in paragraph 948 of Sir A. L. Dickinson's Report been given effect to?

(b) If so, will Government be pleased to lay on the table a statement showing the comparison and savings effected by the introduction of machine accounting, degradation of scale, employment of office boys in the Railway Clearing Accounts Office since its origin to date, as compared with higher grade clerks of Audit Offices?

(c) With reference to the memorandum by the Financial Commissioner, Railways, on the savings effected in the Railway Clearing Accounts Office and by the Chief Accounts Officer, East Indian Railway, will Government please state whether the savings shown under the East Indian Railway as Rs. 80,416 per annum and Rs. 1,21,368 per annum in the Railway Clearing Accounts Office have been worked out?

(d) Will Government be pleased to give an explanation and comparison with that procedure in Audit Offices which is printed on pages 52 to 75 of Volume 5, No. 2, Standing Finance Committee Proceedings?

**Mr. P. R. Rau:** (a) Yes, to the extent that it is the intention of the Government to introduce machine methods of accounting in railway accounts offices when they are satisfied that equal or greater efficiency will be secured at less cost.

(b) and (c). The Honourable Member's attention is invited to Appendices I and II of the Financial Commissioner's Memorandum, printed at pages 5 and 6 of Volume V, No. 6 of the Proceedings of the Standing Finance Committee for Railways.

(d) If the Honourable Member refers to the procedure for dealing with foreign traffic accounts work in the Clearing Accounts Office, he will find full information concerning it on pages 12 to 21 of the Proceedings of the Standing Finance Committee for Railways, Volume II, No. 4, and in Annexure A to the Explanatory Memorandum on the Railway Budget for 1927-28.

**TEST-AUDITING OF THE WORK OF THE SUB-SECTIONS OF THE RAILWAY CLEARING ACCOUNTS OFFICE.**

**310. Maulvi Badi-uz-Zaman:** 1. Will Government be pleased to lay on the table a statement showing (a) the names of those sub-sections in the Railway Clearing Accounts Office that have been test-audited by the Statutory Audit Office; (b) the names of those sub-sections that have not been test-audited up till now since its creation; (c) how the report.

about the work of Railway Clearing Accounts Office was prepared when the work of all the sub-sections was not test-audited?

2. Will Government please give reasons for not test-auditing the work of all the sub-sections?

**The Honourable Sir George Schuster:** Information has been called for and will be furnished to the Honourable Member as soon as it is received.

#### INCREASE OF THE SCALE OF THE RAILWAY CLEARING ACCOUNTS OFFICE.

**311. Maulvi Badi-us-Zaman:** Will Government be pleased to state if they have an intention to increase the scale of the Railway Clearing Accounts Office?

**Mr. P. B. Rau:** Not at present.

#### ADMISSION OF POSTMEN AND LOWER GRADE STAFF TO THE POST OFFICE INSURANCE FUND.

**312. Mr. N. M. Joshi:** (a) Will Government be pleased to state whether the postmen and lower grade staff have been permitted to join the Post Office Insurance Fund?

(b) If the reply to part (a) be in the affirmative, will Government be pleased to state whether the rules of the Fund are published in the vernacular for the benefit of those classes?

(c) If the reply to part (b) be in the negative, will Government be pleased to state whether they propose to arrange for such publication?

**Mr. H. A. Sams:** (a) Yes.

(b) No.

(c) I am considering the question.

#### REVISION OF HOUSE-RENT ALLOWANCE OF THE STAFF OF THE JUMMA MASJID AND BARBHAH MOHALLA POST OFFICES IN BOMBAY.

**313. Mr. N. M. Joshi:** (a) Will Government be pleased to state if it is a fact that the Jumma Masjid and Barbhai Mohalla Post Offices in Bombay were converted to selection grade in 1925 and the house-rent in the case of these offices has not been revised as yet?

(b) Is it a fact that the house-rent given at present is below even 10 per cent. of the average pay of the post?

(c) If so, will the Government be pleased to state whether they propose to remove this grievance?

**Mr. H. A. Sams:** (a) The Jumma Masjid and the Barbhai Mohalla Post Offices in Bombay were converted into selection grade posts in 1926. The reply to the second part of the question is in the affirmative.

(b) Yes. By "house-rent" is presumably meant "house-rent allowance".

(c) With the introduction of the revised scale of pay, *vis.*, Rs. 160—10—250, for such officials with effect from the 1st September, 1927, the average pay has automatically increased. Government, however, are not prepared to admit that an increase in the average pay in itself justifies a corresponding increase in the house-rent allowance.

**PAY OF CERTAIN CLERKS OF THE GENERAL POST OFFICE, BOMBAY, SENT TO BELGAUM FOR TRAINING IN TELEGRAPH WORK.**

**314. Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) If some clerks of the General Post Office, Bombay, were sent for Telegraph training at Belgaum in the year 1926 by the Director General (G. O. No. 7 of 19th June, 1924)?
- (b) Whether they were given to understand that they would earn the Bombay rates of pay while under Telegraph training?
- (c) Whether they were paid at the Bombay rates of pay while under training?
- (d) If it is a fact that the Deputy Accountant General, Posts and Telegraphs, Nagpur, ordered recoveries of amounts said to be overpaid to the clerks, as difference between the Bombay and Belgaum rates of pay after nearly one year from the date of discharge from the training class?
- (e) If it is a fact that, under local order, issued by the Presidency Post Master, Bombay, the clerks were informed that, while under training, they would receive their own pay?
- (f) What is the number of officials from whom amounts were thus recovered and the amount of recovery in each case?
- (g) If it is a fact, that, on the representation of the officials from whom recoveries were made, the order, on which the Deputy Accountant General, Posts and Telegraphs, Nagpur, ordered recoveries, was cancelled?
- (h) Whether Government propose to review the cases and refund the amounts recovered?

**The Honourable Sir Bhupendra Nath Mitra:** (a) Yes, the clerks were however sent for training under orders of the local postal authorities.

(b) No.

(c) and (d). The facts stated by the Honourable Member are substantially correct.

(e) No.

(f) Two, the amounts recovered being Rs. 809-5-0 and Rs. 190-11-0.

(g) No, the order in question was cancelled owing to the abolition of the system of regulating pay on transfer from one scale to another on the point-to-point principle.

(h) So far only one official has submitted an appeal to Government and final orders on his case were issued in July last. Government do not propose to take any further action in the matter.

**UNWILLINGNESS OF POSTAL CLERKS IN BOMBAY TO UNDERGO TRAINING IN TELEGRAPH WORK.**

**315. Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) If it is a fact that clerks in Bombay are unwilling to undergo Telegraph training?

- (b) Whether, if so, Government have inquired into the reasons for this unwillingness?
- (c) If it is a fact that signalling clerks had to be imported from the mofussil to meet the requirements in Bombay City on higher rates of pay?
- (d) If it is a fact that clerks in the mofussil many times volunteer to learn signalling at their own cost, while clerks in Bombay avoid to undergo telegraph training?

**Mr. H. A. Sams:** (a) Yes.

(b) Yes. Government understand that this unwillingness is partly due to the less convenient hours of duty of the telegraph branches of the Bombay combined offices, and partly to the fact that postal signallers in Bombay have not the same chance of independent charge or earning late fees as postal signallers in the mofussil.

(c) Yes, to meet the temporary shortage of postal signallers in Bombay.

(d) No. The clerks in the mofussil, who volunteer to learn signalling at their own cost, are only those who, on account of passing the age limit, are ineligible for training as postal signallers at Government expense.

#### GRANT OF LEAVE ALLOWANCE TO VAN PEONS AND PORTERS OF THE RAILWAY MAIL SERVICE.

**316. Mr. N. M. Joshi:** (a) Will Government be pleased to state if it is a fact that the concession of leave allowance under Fundamental Rule 2 is being granted to the van-peons and porters attached to the Railway Mail Service Record Office "B" Division at Bombay only in cases of absence on medical certificate?

(b) If the reply to part (a) be in the affirmative, do Government mean that the concession should not be granted in any other cases of leave?

(c) If the reply to part (b) is in the negative, are Government prepared to inquire into the matter and issue necessary instructions?

**Mr. H. A. Sams:** (a), (b) and (c). The information wanted by the Honourable Member has been called for and will be furnished to him in due course.

#### METHOD OF FILLING TWO APPOINTMENTS OF INVESTIGATING INSPECTORS OF POST OFFICES IN BOMBAY.

**317. Mr. N. M. Joshi:** (a) Will Government be pleased to state whether both the appointments of Investigating Inspectors in the Office of the Post Master, Bombay, have now been filled in by the officials from the Circle Office?

(b) Is it a fact that, under orders of the Government of India No. 14, P. T. E., dated the 2nd October, 1928, and the Director General's letter

accompanying it, the qualified officials provided as Town Inspectors, Poona or Ahmedabad, were to be transferred and the resultant vacancy given to displaced Town Inspectors?

(c) If so, why were not any of these qualified officials transferred to the vacancy instead of its being appropriated by an official of the Circle Office when the two appointments belonged to Traffic?

(d) Will Government be pleased to state the reason for not restoring the appointments to Traffic Branches?

**Mr. H. A. Sams:** Government have no information, but it is being obtained and will be supplied to the Honourable Member.

#### PAY OF CERTAIN INSPECTORS OF POST OFFICES.

318. **Mr. N. M. Joshi:** Will Government be pleased to state:

(a) Whether it is a fact that, as a result of the recent revision (Sept. 1927) of pay of Inspectors of Post Offices and Railway Mail Services, those officials who have put in more than 15 years service as Inspectors, and others who were confirmed immediately before the revision, are drawing the same pay, viz., Rs. 160?

(b) Whether, when the time-scale was introduced in 1919, the Inspectors were given one increment for every two years of service put in as Inspectors?

(c) Whether the Government propose to consider the question of advance increments on some basis in exercise of powers under Fundamental Rule 27?

**Mr. H. A. Sams:** (a) and (b). I invite the attention of the Honourable Member to the reply given to parts (a) and (b) of his unstarred question No. 15 in the Legislative Assembly on the 1st February, 1928.

(c) The Government of India have decided that Inspectors of Post Offices, who officiated in the old scale of Rs. 175—10—225, should, on their transfer to the new scale, have their pay fixed under Fundamental Rule 27, after giving them credit in respect of their officiating service in the old scale of Rs. 175—10—225, for the purpose of increments in the new scale of Rs. 160—10—250. Government do not consider that there is any justification for granting any further concession in the matter of fixation of pay.

#### COST OF MAINTENANCE OF THE TREASURY BRANCH OF THE GENERAL POST OFFICE, BOMBAY, PREVIOUSLY, AND UNDER THE PRESENT CONTRACT SYSTEM.

319. **Mr. N. M. Joshi:** Will Government be pleased to state:

(a) the actual monthly expenditure for the maintenance of the Treasury Branch of the Bombay General Post Office prior to the introduction of the Contract System?

- (b) the actual monthly subsidy paid to the Contractor at present, including the additional grant for collecting and distributing cash to the Town Sub-Offices?

**Mr. H. A. Sams:** (a) Making allowance for leave and pensionary charges, Rs. 8,501. In addition the cost of the treasury branches at Poona and Ahmedabad amounted to Rs. 566, making a total for the three offices of Rs. 4,067 monthly.

(b) Rs. 8,900. This subsidy is inclusive for the three offices just named.

#### RECRUITMENT OF ANGLO-INDIANS ON RAILWAYS ON MORE FAVOURABLE TERMS THAN INDIANS.

**320. Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) if it is a fact that the Agent of the Eastern Bengal Railway has issued instructions for the recruitment of Anglo-Indians to the Subordinate Railway Service on more favourable terms and lower educational qualifications than those applicable in the case of Indians?
- (b) if it is a fact that similar instructions have also been issued by Agents of other Railways?
- (c) if the reply to parts (a) and (b) be in the affirmative, will Government be pleased to state what action they would take to remove the racial discrimination and favouritism?

**Mr. P. R. Rau:** I would refer the Honourable Member to the remarks made by the Honourable Member for Railways on the subject during the debates on the Railway budget.

#### EXCESSIVE HOURS OF WORK OF ASSISTANT STATION MASTERS IN THE KHARAGPUR DISTRICT OF THE BENGAL NAGPUR RAILWAY.

**321. Mr. N. M. Joshi:** Will Government be pleased to state:

- (a) if it is a fact that they have received a representation from Assistant Station Masters on the Bengal Nagpur Railway in Kharagpur District regarding excessive hours of work?
- (b) if it is a fact that the Assistant Station Masters are asked to work 12 hours during the night?
- (c) if it is a fact that the Assistant Station Masters prayed for reduction of working hours to eight?
- (d) if it is a fact that four accidents have occurred within three months, owing to excessive work?
- (e) if Government propose to take any action to relieve the Assistant Station Masters from the strain of excessive hours of work?

**Mr. P. R. Rau:** (a) and (c). Yes.

(b) It is understood that there are some stations on the Kharagpur-Howrah section manned by one Station Master and two Assistant Station Masters. The Station Master works during the day and relieves the Assistant Station Masters when they go for their meals, but subject to their reliefs, they are on duty for 12 hours in the 24.

(d) Government have no information.

(e) The Agent, Bengal Nagpur Railway, reports that he intends shortly to instal lock and block instruments on this section and to re-arrange the hours of work of the staff on the 8 hours' principle.

**PROVISION OF RUNNING ROOMS FOR INDIAN GUARDS AND DRIVERS ON THE BINA-KOTAH SECTION OF THE GREAT INDIAN PENINSULA RAILWAY.**

**322. Mr. N. M. Joshi:** 1. Will Government be pleased to state:

- (a) if it is a fact that guards and drivers take more than thirty hours to complete the journey on the Bina-Kotah section of the Great Indian Peninsula Railway?
- (b) if it is a fact that there is no provision to get food on the stations on the line between Bina and Kotah?
- (c) if it is a fact that there are no running rooms and cooks at Kotah for Hindu and Muhammadan guards?
- (d) if it is a fact that the Bombay, Baroda and Central India Railway has an Indian guards' room, but it is not allowed to be used by the staff of the Great Indian Peninsula Railway?
- (e) if it is a fact that a running room and cooks have been provided for European and Anglo-Indian guards at the same place?

2. Will Government be pleased to state the reasons for such differential treatment accorded to Indian guards and drivers?

8. Do Government propose to take steps to remove these grievances?

**Mr. P. R. Rau:** The information is not available here, but is being obtained from the Agent.

**MANAGEMENT OF THE WAKF PROPERTY OF THE DARGAH KHWAJA SAHIB, AJMER.**

**323. Maulvi Muhammad Shafee:** (a) Are Government aware that a deputation of Muslims waited on the Commissioner, Ajmer-Merwara in 1925, with a request that the Notification of 1867 be cancelled in accordance with the remarks of the District Judge, Ajmer, (Mr. C. C. Watson) in the proceedings dated 8th October, 1922, to fill a vacancy in the Dargah Committee, caused by the death of Syed Zahur-ul-Hussain? If so, will Government be pleased to state what steps were taken in the matter?

(b) Do Government know if the accounts of the Dargah Khwaja Sahib of Ajmer, have been published, duly audited from the year 1867 to 1928? If not, will Government be pleased to state why steps have not been taken to get the accounts audited?

(c) Do Government know if a detailed list of the Waki, property of the Dargah Khwaja Sahib, Ajmer, has been prepared and is available for the information of the public? If not, will Government be pleased to state why steps have not been taken towards this end in the interest of the Waki?

(d) Are Government aware that the present Committee of the Dargah Khwaja Sahib has four members of the beneficiary class and one independent member on it in contravention of section 8 of Act XX of 1868? If so, will Government be pleased to state what has deterred them from taking steps in reconstructing it?

(e) Do Government propose to inquire of the Commissioner, Ajmer-Merwara, if, in his opinion, an early preparation of a local Act for the better management of the Dargah Khwaja Sahib is necessary?

(f) Will Government be pleased to state if the savings under Act No. XLII of 1923 apply to the committees constituted under Act XX of 1868? If not, do Government propose to take steps to notify the same?

**Sir Denys Bray:** (a) A proposal was made in 1925 that a deputation should wait on the Commissioner, Ajmer-Merwara. The records show that the proposal did not at that time materialise, owing to the transfer of the then Commissioner. There is no record of any deputation having been seen by the Commissioner in this connection, but it is believed that some Muhammadan gentlemen did have an interview with him to discuss the question of improving the management of the Dargah Khwaja Sahib. It does not appear, however, that any definite action was taken as a result of this interview.

(b) The accounts of the Dargah Khwaja Sahib have not usually been published. On one occasion some accounts relating to two years were published by the Mutwalli. They were not audited accounts. It does not appear to be incumbent on Government to take steps to have the accounts of the Dargah Khwaja Sahib audited, *vide* section 22 of Act XX of 1868. The Dargah Committee have, for the last two years, been checking the accounts kept by the Mutwalli, and they have arranged that the accounts should in future be regularly audited.

(c) The Dargah Committee have a record of the property belonging to the Dargah Khwaja Sahib. Apparently no member of the public has hitherto asked for information on the subject.

(d) If the representatives of the Diwan, Mutwalli and Khadims are considered to be "members of the beneficiary class" the answer to the first part of this question is in the affirmative. Presumably the Committee was originally so constituted because it was considered that the Diwan, Mutwalli and Khadims were the persons interested in the maintenance of the Dargah within the meaning of section 8 of Act XX of 1868. Hitherto the general Muhammadan public have evinced very little interest in the management of the Dargah. The Committee having been constituted once for all under Section 7 of Act XX of 1868, presumably cannot be reconstituted without special legislation.

(e) The management of the Dargah Khwaja Sahib is a matter which concerns primarily the Muhammadan public. If evidence were forthcoming of widespread dissatisfaction with the present management, legislation with a view to altering the present constitution of the Committee could be considered.



(f) If by the first part the Honourable Member means to inquire whether section 12 (b) of Act XLII of 1928 has the effect of excluding the application of that Act to Wakfs under the management of committees appointed under Act XX of 1863, the answer appears to the Government of India to be in the negative. In the second part the Honourable Member presumably intends to suggest a notification under section 13 of Act XLII of 1928 exempting the Dargah Khwaja Sahib of Ajmer from the operation of that Act. A notification in this sense would be issued by the Chief Commissioner and the Government of India will invite him to consider the Honourable Member's suggestion.

**GRIEVANCE REPORTED IN THE SEARCHLIGHT REGARDING THE WORKING HOURS OF THE COMBINED POST AND TELEGRAPH OFFICE AT BANKIPORE.**

**324. Khan Bahadur Sarfaraz Hussain Khan:** (a) Has the attention of Government been drawn to the letter published in the issue of the *Searchlight* of the 22nd February, 1929, page 8, under the heading "A Telegraph Grievance"?

(b) If so, will Government be pleased to state if the statement made therein is correct?

(c) If it is correct, do they propose to remedy the grievance referred to?

**Mr. H. A. Sams:** (a) Yes.

(b) Yes.

(c) The working hours of the Bankipore Combined Post and Telegraph Office have been revised with effect from 1st March, 1929. The Telegraph Branch is now open from 7 P.M. to 9 P.M.

**REDUCTION OF WORKING HOURS AND PAYMENT OF AN ALLOWANCE FOR WORKING ON HOLIDAYS IN THE CASE OF INDIAN BOOKING CLERKS ON THE EAST INDIAN RAILWAY.**

**325. Khan Bahadur Sarfaraz Hussain Khan:** (a) Will the Government be pleased to state if it is a fact:

(i) that the booking-clerks of the East Indian Railway have to work 12 hours a day?

(ii) that they neither get public holidays on any of their festival days, nor any allowance for their attendance on such days, like those of the Anglo-Indian servants of the Company who get an allowance on such occasions?

(b) If the reply to (i) and (ii) of part (a) be in the affirmative, will Government be pleased to state if they propose to reduce the working hours of the booking-clerks and to allow them an allowance if they are required to work on holidays?

**Mr. P. B. Rau:** The information has been called for from the Agent; and on receipt of the reply I shall communicate with the Honourable Member.

# THE GENERAL BUDGET—LIST OF DEMANDS—*contd.*

## SECOND STAGE—*contd.*

### *Expenditure charged to Revenue—contd.*

#### DEMAND NO. 85—FINANCE DEPARTMENT—*contd.*

##### *Borrowing Policy of the Government of India—contd.*

**Mr. President:** The House will now resume the further consideration of the following motion moved by Sir Victor Sassoon.

"That the Demand under the head 'Finance Department' be reduced by Rs. 100."

**Sir Victor Sassoon** (Bombay Millowners' Association; Indian Commerce): Mr. President, when the clocks of this House decided to join the No-change Party and refused to co-operate with the deliberations of this Chamber, I had finished criticising the action taken by Government in not taking advantage of favourable money conditions in the past by making larger long-term loans, and I was taking up the second point of my argument as to how Government should borrow the money needed. I pointed out that the Honourable the Finance Member adhered to the old policy of meeting the needs of the Government of India in India first, and only making use of the London money market for his surplus requirements. It is that policy which I desire to criticise. If India had enough capital for all her needs I would not complain, but, as admittedly, she has not, every rupee that is taken for Government loans in India out of the limited capital available for investment, means a rupee less available for the development of India's industries and commerce. So that, if this old policy is continued, when you go to the Indian public for capital for your shipping companies, your ship-building companies, your aviation companies, your new companies for extending your iron and steel industry, you will be met with the reply that there is no capital available, and either you will have to go to the foreign investor to get this capital or, if, as is the case with your shipping industry, you require the capital to be invested in this country, you will have to postpone your projects. I would personally prefer to see the foreign investor take the Government loans at low interest and for the Indian investor to take up the commercial projects I have enumerated. For instance, I would sooner see the amount of Indian money reduced in Government paper, and for instance the 7 per cent. debentures of the Calcutta Telephone Company taken up in India instead of the reverse. But let me make myself clear on one point. Should the dulcet tones of the siren voice of the Honourable the Finance Member succeed in coaxing into the coffers of the State that hoard of India's fabled wealth, whether from the silver ornaments of the cooly's wife or from the treasuries overflowing with ingots of gold and silver, of the Princes of India, I should have nothing but praise to proffer him. It is only where we are dealing with the liquid capital of this country that I make a criticism.

Now, Sir, what are the arguments which are put forward against borrowing abroad? There is the opinion, held by a certain section of the public outside this House, that all sterling borrowing is noxious, as being a drain on the country. I do not think I need waste much of the

time of this House in controverting an argument of that kind. Finance is the lifeblood of every nation, and even Soviet Russia is straining every nerve to obtain capital from abroad—capital which she must have if she is to progress economically and industrially. And in any case, the essence of my suggestion is in fact merely that this country should arrange to pay the lowest rates of interest for the money which she does borrow from abroad—for example, 5 per cent. instead of 7 per cent. But there is an argument put forward by certain Members of this House, that borrowing abroad keeps this country in political bondage, and that argument needs more serious consideration. My Honourable friend Sir Purshotamdas Thakurdas quoted the Lee Commission, and Mr. Jamnadas Mehta referred to the bondholders of Egypt. I should like to be allowed to lay down the main principles on which loans abroad are taken up from the point of view of the lender. If the credit of the country is high, if the concerns run by the borrowing country are run profitably, and these profits are dealt with on conservative lines, if the lending country has no reason to fear that there is any likelihood of failure either of payment of interest or of repayment of capital, then there is, and there can be, no question of attaching conditions to any loan floated on the London money market. Nor, in practice, have I noticed that India has been debarred from dealing with the proceeds of the loans she has taken in the way she has thought best. At any rate I have never heard of any investor in India's sterling loans suggesting that India was not at liberty to buy Belgian rails if she found that they suited best her requirements. Naturally British manufacturers would like India to buy their own products. That is a perfectly natural desire, but they cannot insist on India doing so unless there is a clause to that effect attached to the conditions of the loan at the time of issue; and we, on this side of the House, irrespective of what may have been said elsewhere, maintain that there has been no restriction up to now as to how India should deal with the loans which she may have borrowed from abroad. If there are to be any restrictions in future, if there are to be any conditions in future, they must be clearly defined in the terms offered originally, so that what India may do, she will do with her eyes open. India may find it advantageous to agree to give Great Britain a preference if conditions and prices are equal. She may do so, so as to encourage the supply of money at rates lower than she can obtain elsewhere; but that is a question of policy for India to determine and not one which can be imposed by the lending nation. My Honourable friends on the other side must not lose sight of the fact that it is due to the close ties between India and Great Britain and the conservative financial policy that may, in the opinion of some, have been imposed—I do not mince my words—on this country that we are able to borrow on such favourable terms,—more favourable, it may be pointed out, than is the case with most of the Colonies,—and we should jealously guard this advantage which we now possess.

That, Sir, concludes my second point and I am left to examine the future policy of Government from another angle before concluding my remarks. I have just dealt with the situation on the assumption that there was existing for the Government of India in the money markets of this country and abroad enough liquid capital available and willing to be lent to meet all the demands of my Honourable friend the Finance Member. In the first part of my speech I criticised the former administration for not taking advantage of this factor to the full in the past; but because, a

[Sir Victor Sassoon.]

few years ago, the world was overflowing with surplus savings seeking investment, it does not follow that the conditions have not altered today. In my opinion they have altered and altered very definitely. The surplus gold of the United States, over and above what that country needs, on which to base her own loan structure, has dwindled, if not entirely disappeared, during the last few years. No longer are large foreign loans floated and snapped up there almost weekly, as was the case a short time back. Today the exodus of her surplus gold has not only stopped; the bank rates of the world have had to be raised to prevent what has gone out from flowing back to the Federal Reserve Bank. It certainly looks as if we shall have to face a world restriction of credit, as is foreshadowed in quarters whose opinion must be treated with respect. The gold supply of the world, according to those opinions, is not large enough to bear the loan structure of credit requirements, and if such a situation is accentuated, India will not escape. High though her credit abroad stands, and low though the interest she pays is, my Honourable friend has rightly pointed out that the amount she can borrow on the London money market is strictly and definitely limited. And Sir George Schuster may find himself in a position not of having to decide how much we will graciously allow Great Britain to lend India, but what part of the Government programme may have to be postponed owing to lack of adequate response from anywhere to his appeals for funds. I do not desire to be an alarmist, but that is a situation which may well arise in the near future, and that is the situation which led me to say in the earlier part of my remarks the other day that my criticisms on Government's past policy were based on academic grounds today. My friend, Mr. Shanmukham Chetty, pre-eminent in questions of dress and sartorial matters, to whose remarks I always listen with great attention and great interest—and I wish I could say as much of all speakers of this House—made a very sound point when he laid down that railways should spend not according to their capacity, but according to what the country could afford. I do not think that there is any difference of opinion on that point between either Mr. Shanmukham Chetty or the Finance Member and myself. I think the Honourable the Finance Member did, in his speech, lay down that there should be a programme laid down for a series of years with provisions which would allow it to be elastic; but even with that elasticity, it may not be easy to work in practice if the Honourable the Finance Member, due to the state of the money market, finds it undesirable to make his issues as large as is required by his programme, and finds himself in the position of having to ration the funds which he does get very drastically. The programme of the Railway Department, for instance, divides itself as regards capital requirements into two halves. There is, on the one side, the acquisition of company-owned railways, and on the other side, the building of new lines and branch lines, with all the concomitant expenditure so clearly detailed in the budget speech. Both programmes are desirable, and it is not an easy task to decide which side should be postponed. Of course, if arrangements can be made by which payment for the company-owned lines could be made by a special issue of bonds, or partly in cash and partly by bonds, naturally the Honourable the Finance Member will not be blind to such possibilities. But it must not be forgotten that the shareholders of these concerns are entitled to receive cash if they should choose to demand cash and that the advantages and disadvantages of each side of the programme would have to be considered

On the one side you have a railway, like the Bengal and North-Western Railway, of which we have heard so much this session, for the purchase of which I am told we shall require to find nearly £18 millions,—a very large sum when we remember that with a series of old issues falling due, it is unlikely that we can count on receiving more than 15 crores of new money yearly for the next few years. On the other hand I am told that the terms on which this Railway can be acquired are very favourable to Government. I am informed that, by bringing this concern into the orbit of Government-managed railways not only will the general cost of administration be reduced, but that a cheaper service will be given to the public. So the acquisition is obviously a very desirable one in every way. Now for the other side of the picture. The building of new lines and the building of new branch lines will, by opening up new districts, enable new sections of the agricultural population to tap new markets, and so enable them to get better prices than they have received in the past. It will help them to improve their miserable standard of living, right apart from any financial profit that may accrue to the State. Now, however much Government management may improve the services in an existing railway, it does not increase the number of people whom that railway service benefits, and as even a bad service is better than no service at all, so it is my considered opinion that the opening up of new parts of this country should take priority, where priority is necessary, over the purchase of existing lines, however desirable. If there must be postponement, it should not be in the building of new lines and new extensions of old systems or in the development of irrigation.

These, then, Sir, are the principles which I suggest the Honourable the Finance Member should keep before him as regards his loan policy during his period of office. Firstly, take advantage of favourable money markets to fund your debt, even though the interest costs may be slightly higher for the moment. Secondly, satisfy your capital needs as far as possible in the London money market before absorbing the available liquid capital of this country. And, thirdly, in the use of the funds which are available for capital expenditure, never lose sight of the fact that the agriculturist must come first every time. Mr. President, nothing that I have said is very new, but so often one cannot see the wood for the trees, and if I have been able to clear away a little of the undergrowth and emphasize basic principles I shall have succeeded in my aim and my intention today.

**Mr. B. Das** (Orissa Division: Non-Muhammadan): Sir, I do not dabble in high finance, but when I heard my Honourable and gallant friend the Baronet I felt very dismal; I thought it was the last wailing of the Imperialistic economists of England. Sir, the Finance Member is new to this country and already he has made statements and expressed views in sympathy and harmony with Indian national dreams. We, from this part of the House, have appreciated the noble intentions of the Honourable the Finance Member to serve India as best as he can. Naturally our friends there, (the European Group), are perturbed. It has therefore naturally occurred to our commercial European friends to give him a little friendly advice just to keep him in order. They find probably that the new Finance Member may become anti-national in the sense that he may do something for the betterment of Indians in India, and so they would not like him to go out of their hands, and therefore the warning has been given by the Honourable Sir Victor Sassoon . . .

**Sir Victor Sassoon:** No, no.

**Mr. B. Das:** And he has defined a certain policy for borrowing and expects the Finance Member to follow it. He said that all borrowings must be done in England . . . .

**Sir Victor Sassoon:** No, no.

**Mr. B. Das:** That is what I understood him to say.

**Sir Victor Sassoon:** If he had listened to me carefully, he would not have misunderstood me.

**Mr. B. Das:** That is what I understood him to say.

**Sir Victor Sassoon:** I regret, Sir, I was not clear, but that is not true.

**Mr. B. Das:** The Honourable and gallant Baronet wants that money should be borrowed in England, and when that money is spent, all orders will flow towards England. That is the deduction that one could draw. . .

**Sir Victor Sassoon:** No, no.

**Mr. B. Das:** You indirectly say that.

**Sir Victor Sassoon:** On a point of personal explanation, Sir. I said directly the opposite.

**Mr. B. Das:** I am glad to hear that. But will the Honourable and gallant Baronet tell me that he would not like the Government of India to borrow in England and spend the money in England for railway materials, machinery and stores required for industrial development and Government use in this country? Will the Honourable Member tell me that he would not like the orders to go to England, but is willing that they should go to Germany or Belgium or to other countries, or preferentially be purchased in India?

**Sir Victor Sassoon:** I pointed out that, although the money might be borrowed in England, it should be spent wherever India found it most profitable for her own requirements.

**Mr. B. Das:** You did point out that, but is that the policy of the Government of India? Is that the policy of the India Office?

**Sir Victor Sassoon:** That should be the policy.

**Mr. B. Das:** Since the Government of India and the India Office do not follow that policy, we are trying to force this Government to act up to that policy. If they adopt that policy, then we cannot have much room for complaint . . . .

**Sir Victor Sassoon:** The Government are adopting that policy.

**Mr. B. Das:** But unfortunately there is a policy which my Honourable and gallant friend knows, and that is the policy of the India Office, which wants that all capital expenditure for railways, all monies spent for purchasing articles for India, should be spent in England, and that India should be the feeding ground for the British industries and British manufacturers. We know that, and we are fighting with the Government to

change that policy, but so far, we have not succeeded, and we will not succeed perhaps until we have Pandit Motilal's Government, when we will be on the Treasury Benches . . . . .

**Sir Victor Sassoon:** Has my Honourable friend appreciated the fact that orders for rails have been placed in Belgium without my Honourable friend Pandit Motilal being at the head of the Government?

**Mr. B. Das:** A small order here and a small order there does not matter much, but what about the policy of placing huge orders 6,000 miles away from this country, for railway and other materials required for this country? What was the policy, after the war, for undertaking so many development schemes all over India? Was it not with a view to maintain the British industries which were starving after the war? What was the policy underlying the Kalyan Power House order? The whole thing is this: English industrial concerns were starving, and orders had to be found for them, and that is why India is bled. We cannot really rule in our own House. Government can borrow any amount of capital, they can place any amount of orders with English firms, even against the lower prices of Continental firms.

Now, Sir, I will define my own policy of borrowing, and I will define my policy as to how the money should be spent. Sir, I am glad the Honourable the Finance Member took stock of the financial position in India after he took charge of his office. He found that his predecessor, Sir Basil Blackett, had ever done it, and India had borrowed more than was necessary. Sir Basil Blackett's building up of India's credit in the outside market was done by questionable means. Sir, the Honourable the Finance Member's admission that the Postal Cash credit loan, which has given so many crores to his predecessor to spend in England, has not been covered by provision of interest charges in previous budgets, shows that our finances are not in a favourable position. Now my friends of the European Group say that Government can go on meddling with the policy which Sir Basil Blackett adopted and tell Government: "Go on and borrow as much money as you like", because it will help the foreign capitalists and industrialists to dump their goods in India, so that India can have a few more railway lines and a few more modern luxuries for the exploitation of the agricultural classes. Sir, I myself want the development of India. I am a very strong advocate of railway development, communications and so forth. But I want that money should be spent in a manner that would benefit the people of India. How does it benefit the people of India now when those who lend us the money in England draw, every year, huge sums by way of interest? Sir, they bleed us white by way of interest which we are paying for our borrowings in England and abroad. Well, my Honourable and gallant friend and I will never be able to appreciate one another . . . . .

**Sir Victor Sassoon:** It is not my fault.

**Mr. B. Das:** Had you been an Indian, if you were in my shoes, and if you knew you were bled white, you would certainly speak with the same fervour as I am feeling today.

**Sir Victor Sassoon:** I would still try and borrow cheaply.

**Mr. B. Das:** My country is bled white, and then to hear the British Imperialistic interests who are here to exploit India . . . . .

**Sir Victor Sassoon:** You should criticise my speech.

**Mr. B. Das:** To hear them suggest that loans should be incurred by the principles of economics which my Honourable and gallant friend Sir Victor Sassoon has laid down, so that more orders and fresh orders may go outside, is simply absurd; nobody on this side of the House will countenance it. There should, of course, be development, and there will be real development of Indian industries when there are railways to be built. But let us manufacture railway appliances and build them, and until then let us stop all new extensions of our railways. What is the use of placing large orders in Germany, Belgium and other places? How does it help India? Before the war the Europeans were all one brotherhood. Englishmen, Germans and all were one, and they used to go by the word "Europeans". But since the war the Germans and a few others have been excluded from that economic brotherhood; we have not so much sympathy for the European manufacturers and we don't say that any one particular foreign manufacturer should be chosen or given preference. To me it matters little whether the money goes to England, or Germany or America. The question is, that the money goes out of India, and when that money is borrowed outside India, every year India has to pay huge interest charges, and we do not know when we will be able to get out of the clutches of the foreign capitalists. The Honourable the Finance Member would do well to see whether he cannot stick to his original intentions and policy and as he said limit the amount of his borrowings and try to limit his borrowings to India. Of course, there is very little capital in India. Sir Basil Blackett, at one time, used to think that there was too much hoarded gold in the plains of India especially in the deserts of Rajputana. At the time of the Great War, he used to think that all good silver was flowing towards Rajputana, and he could not find enough money for his war loans. If you think, by seeing the poor Indian women wearing a few trinkets, as Sir Basil Blackett thought, that too much money is spent in India on trinkets and other jewellery and such money would not flow to the bank, you are very much mistaken. We on this side maintain that there is very little hoarded money in this country. We could have more liquid cash in India if the Government would only see their way to transfer to India the Gold Reserve and other monies belonging to India that lie in England, and by which credit the British merchants and the British Imperialists prosper. If the Gold Reserve and all the money that is lying in the name of India in London are removed to India, and if my Honourable friend, the Finance Member, accepts the suggestions of his distinguished countryman, namely, Sir Daniel Hamilton, he will find a new prosperous atmosphere in India. He will find such reserves transmitted into liquid cash will increase the borrowing power of the people of India and Government will not have to borrow from abroad. Increase the economic prosperity of the masses and you'll get all loans subscribed in India. Whatever is done, I give the Honourable Member a warning. Let him not be pulled aside by his countrymen, who have been here for generations as merchants. Before the British Raj came, there was the East India Company. The East India Company came as merchants; they became the rulers, and they tried to conquer India for exploitation. If India is supposed to be ruled by the House of Commons, by the British



Parliament today, let those who try to interpret here the British Parliament—let them not follow the policy of economic exploitation of the East India Company. My friends in the European Group, who represent the British capitalists, the British investors in India—they are here, they are a necessary evil. (Laughter.) We cannot do away with them. (*An Honourable Member*: "Question".) (*An Honourable Member*: "Oh, why?") My friend asks, why? I do not belong to the Independence Party in the Congress or in the country that I will say, "I will repudiate all loans". Today I stand by all debts, all loans, that India has incurred, even though I am not a party to some of them, and that my Honourable friends on the Treasury Benches have committed us to. I do not want the Honourable the Finance Member, who has started very well, and who has our goodwill, to be pulled this way or that way; let him not be influenced too much by the European vested interests in India. If European vested interests represent a few lakhs of people in India, we represent 80 crores, and the Honourable the Finance Member must remember that he is the Finance Member of 80 crores of people in this country. (*An Honourable Member*: "Hear, hear".)

**Mr. D. V. Belvi** (Bombay Southern Division: Non-Muhammadan Rural): I have listened with very great attention to the speech of the noble Baronet, and I also listened to the eloquent speech of the Honourable the Finance Member when he presented the budget to the House. We were told that we must be grateful to England because England treats India always as a privileged debtor. To this part of the Honourable the Finance Member's speech, my Honourable friend, Mr. Jamnadas Mehta, has given, in my opinion, a sufficient answer. But today I find that my Honourable friend, Sir Victor Sassoon, has raised a very important point, and he wants our concurrence to unlimited borrowing by the Government of India in foreign countries, provided that those loans are of use to us. If I have understood the noble Baronet aright, what he means to say is, that an attempt should be made by the Honourable the Finance Member, first of all, to utilise the money that may be available in this country, for capital expenditure, and that, in the case of larger debts, he may have to borrow in foreign markets. I may say at once that I am not against our borrowing in any foreign market, provided the loan we raise is really for the benefit of the country.

My principal objection is that the loans that are raised by the Government of India are, as a rule, not to the advantage of the Indian people. If the Honourable the Finance Member were to make it a point to see that most of the loans we raise in foreign markets are utilised for the economic and industrial expansion of this country, I should be the first to vote in favour of any such loan. (*Sir Victor Sassoon*: "Hear, hear.") But what do we find? We find that the main object of the Government of India and its advisers is to help the exploitation, the economic exploitation, by foreigners of this country. The object is to leave India for ever an agricultural country. The real object is that India should produce only raw materials for British and other foreign manufacturers and not finished articles.

The other day we were told by the Honourable the Finance Member that Japan had been very wise and that Japan had raised very large loans in foreign markets. I do admit that this proposition was very correctly stated. But what is the real policy of Japan in its borrowing in foreign

[Mr. D. V. Belvi.]

countries? I will read a quotation from a very recent book on modern Japan. The quotation runs thus:

"At a time when science and industry were at their lowest point, the country was threatened with an economic invasion of peoples equipped with the latest machinery and systems of wholesale production, with factories and foundries, research laboratories, and, above all, the capital and energy sufficient to allow them under ordinary circumstances to sweep everything before them. The small group of persons who had managed to assume the reins of power (The Japanese Civil Service, the counterpart of the Indian Civil Service) were confronted with a difficult problem. Were they to have waited for individual initiative to show itself, for the commercial and industrial classes spontaneously to change their whole ideas and methods, it would probably have been too late—the foreign merchant would have permanently usurped the national trade, and with it the financial independence of the country. Once this had gone, as Egypt and India could have told them, political independence is not long in vanishing.

They did not hesitate. They decided that it was upon their shoulders to reorganise the State from top to bottom. They it was who organised and reorganised the banking system, who opened model factories, who taught the people through them how to make matches, cement, cloth, silk, soap, steel, engines, and all the inconceivably many things which go to make up the framework of the modern industrial State.

Look at another point:

"Japan needed ships. She could not afford to wait for her merchants to gradually take an interest in maritime affairs. Foreign ships were already establishing routes of sailing, and in a short time would have secured a monopoly. Accordingly the Government forced the formation of three companies—the Nippon Yusen Kaisha, the Toyo Kisen Kaisha, and the Osaka Shosen Kaisha—poured money into them, saw that they were efficiently run, saw that a school was formed for the adequate training of maritime officers, passed laws giving them a monopoly of the coastal trade,"

—my European friends will pay special attention to this—

"passed laws giving them a monopoly of the coastal trade, saw that all the State-controlled industries sent their goods by these boats, saw also that the organisation of these companies was such that trained and able men, and these only, had charge, and pushed their way to the top. Consequently the merchant navy of Japan is today one of the largest in the whole world."

If the example of Japan is to be held up to our admiration or to our imitation, then the policy which Japan is following should be pursued in India. It is no use telling us that Japan is a very wise country and that she borrows crores of money in foreign countries. It is true that Japan does borrow large sums and that Japan is a very prudent country. But the Government there is a national Government. All the borrowed money is utilised there for the industrial expansion of the country. But what does the Government of India do? It guarantees interest in the case of foreign railway companies in India. Why should it not guarantee, say, a minimum rate of interest in the case of ordinary industrial companies? Why should not industries be encouraged in that way? The Japanese Government invests its own money, in the first place, in founding factories for the promotion of various industries. And when it finds that these factories are working well, it induces private companies to take charge of them. In the case of some companies, it invests a part of the capital and induces private capitalists to invest money so far as the rest of the capital is concerned. Why should not that sympathetic policy be pursued by the Government of India in this country? Is it not plain that the main object of the Government of India is to build a great many railways in this country, so that British goods and the manufactures of other European countries may find their way to the nooks and corners of this country. That is the main

object. We are not much benefited by the railway systems which have come into existence in this country. It is true that we find that travelling has become now a little more convenient, and it is a little cheaper too. I do admit that, but the main object of the Government of India, in establishing railway lines, is not to benefit the industrial expansion of the country, but to see that British goods are dumped into the remotest parts of the country. So long as that policy is in force, it is most suicidal for us to borrow money in England or in any other country. Now, we had, some years ago, an Industrial Commission, of which my Honourable friend Pandit Madan Mohan Malaviya was a distinguished member. The committee sat for months together, and it recorded a very large amount of evidence, and it produced many ponderous volumes of its Report, but what is the net result? What is the outcome of that Report? Has India been benefited in any way? Do we see anywhere real anxiety on the part of the Government of India to benefit the industries of this country? Look at our tariff policy. I have been in the House for the last five years, and I find that, even in the smallest possible thing, the main object is to see that British manufacturers are encouraged and to see that British goods are sold in this country. Take any instance you like, and you will see that this is the case. It is therefore very difficult to support what the Honourable Member from Bombay has laid down. The proposition is theoretically correct, but circumstanced as we are, it is a very suicidal policy to borrow foreign money, because the economic policy pursued by the Government of India is undoubtedly not to our advantage. The whole system of borrowing is wrong and is extremely selfish. I may be pardoned for using this word, but I cannot help it because I feel that my country is exploited almost every day, whatever the members of the European Group, sitting there, may say. They talk like philanthropists. They say they are the adopted sons of India, but how do they treat us? Look at their attitude towards Mr. Haji's Bill. That is an eloquent commentary on their conduct. It is no use wasting our time by bolstering up a proposition like this. I oppose the cut proposed by my Honourable friend.

**Mr. A. Rangaswami Iyengar** (Tanjore *cum* Trichinopoly: Non-Muhamadan Rural): I was in hopes that, when the Honourable Baronet moved this cut, it would have been possible for this side of the House to agree with him on what may be called a national policy of borrowing in this country. Sir Victor Sassoon has such large interests in this country that, I was in hopes that he would plump for the perpetuation of those interests by taking the side of the people of this country and urging that the borrowing policy of the Government of India should be a national borrowing policy. I was, therefore, Sir, extremely surprised that Sir Victor Sassoon should have virtually asked for what may be called an active foreign borrowing programme, not merely when there is need to go to the foreign market, as the Finance Member said, but also for going on borrowing whenever there is a favourable market in London, thereby piling up loan after loan to the credit of the Government of India, to be used for the active purposes of railway exploitation, and various other things for which the Government of India use their funds. Now, I was wondering as to why he was urging this active borrowing in the London market at all favourable opportunities that might offer, and I find that he let the cat out of the bag when he said: "Here you are, here is a programme by which you have got to buy the Bengal and North Western Railway and you have got to put down £17½ millions for that purpose." Sir, it is this

[Mr. A. Rangaswami Iyengar.]

mentality, of the European investors in this country, that it is very difficult for us to meet. They view this country purely as a place for the investment of their capital, and for the exploitation of its resources; and I certainly felt that this was not a motion on which this side of the House could show any sympathy whatever. I am not one of those who would accept, even in the qualified form in which some of my friends put it, the policy of foreign borrowing. It may be necessary for this country now, and for some time to come, to borrow outside, because it may not be able to raise all its requirements in this country; but, Sir, so long as it is possible for the Government to find all its requirements, capital or revenue, in this country, I say it will be criminal for this Government to go outside and borrow money so as to accommodate the London market, or so as to get any temporary gain that may be obtainable thereby. I would rather that the money was raised on less advantageous terms in this country, so far as the Government are concerned, than that the Government should, under the plea of getting some temporary advantage, go to the London market for borrowing. Sir, the Honourable the Finance Member, in his very clear Financial statement, has pointed out to us that, after all, the capital expenditure of this country has not been really so dependent upon external borrowing as Sir Victor Sassoon has sought to make out. He has pointed out that, out of the total capital requirements of this country, much the larger part has been financed by resources from this country, not by direct borrowing, but by what I may call indirect borrowing. What this indirect borrowing is, is pointed out in paragraph 59, and, as he points out, he has been able to find 108 crores during the last five years from the resources which were at the disposal of the Government of India to finance the capital programme of this country. He has been able to do that, after making what we, on this side, consider to be extravagant provisions for debt redemption and the avoidance of debt. He has been able to do that for a programme which does not involve, in this country, any borrowing today for any other purpose, except that of capital expenditure upon development projects, and whether they relate to irrigation or railways does not matter. Therefore, Sir, I do consider, having regard to the success that was achieved, during the last five years, in tapping the resources of this country, having regard to the fact that, during that period, it was not necessary, except during recent months, for the Finance Member to go to the London market for Indian loans, that the policy that should commend itself to the country is not the one that Sir Victor Sassoon has put forward, but the one by which Sir Basil Blackett was able to tap the credit and the resources of this country for the purposes of development in this country. Sir, he has been able to develop Cash Certificates; he has been able to develop Savings Bank deposits; and although the provision that has been made for the redemption of these Certificates and credit instruments has not been properly arranged, as was pointed out during the budget debate of last year, I do think that it is necessary for the Finance Member primarily to consider what are the resources that are available here. Indeed there is one thing, for instance, which they had been able to use, but which unfortunately for them they will not be able now to use. They have been able, by manipulating currency, to make a gain on exchange, which they have put into this credit system. The gain by exchange, so used, comprises 7½ crores, and, as the Financial Secretary's Memorandum will show, this gain or loss by exchange is still maintained

by Government under Suspense Account, and the amounts available under that head have been put into the resources of Government. By means of this, they have been able to avoid going to the market for loans. That is how I understand the last item mentioned in paragraph 59 of the budget speech. I therefore feel that it is not right for this country to develop a foreign borrowing programme, and it is not right either, that we should pursue an active policy of railway expansion by going to the London market and borrowing there for purposes of railway expenditure, which also involves the policy of having directly or indirectly, openly or in secret, agreed to buy goods, not in the cheapest market, but in the dearest market in London. Therefore I, personally, feel that it is not the right policy which my friend, Sir Victor Sassoon, has indicated, and that, so far as the policy that ought to be adopted by the Finance Member in this behalf is concerned, he should adopt the policy of finding all his requirements in the country. The Government have, by a ruinous currency policy, depressed industries in this country, and it is that that has stood in the way of the industrial expansion of this country; and it is not the fact that Government have tapped these resources that has operated to the detriment of industrial enterprises which have not, in consequence, given adequate returns. If adequate returns can be guaranteed by pursuing a correct currency policy, I do not think that Sir Victor Sassoon will find the Government's borrowings will depress industrial enterprise.

Sir Victor Sassoon also referred to the coming tightness of money in the world's market, and in that connection referred to the United States policy of beginning to conserve its gold. There was a time, no doubt, when the United States had got in its coffers in the Federal Banks quite a lot of the world's gold, and today there is a lot of gold that is coming out of the United States; but that does not show that the requirements of credit and currency in the world, and the gold basis on which it should be determined, have been of such a character that you would soon find that, unless we economise the use of gold and develop our credit and other borrowing facilities on the London money market, there would be very great financial difficulties, which India would soon have to face in the London money market. I think, on the other hand, recent discussions on the actual position in the United States, in regard to her gold resources and the position of the Federal Banks have shown that, it is by trying to get rid of the backing of actual gold in the central banks, as far as possible, and by operating the central banks so as to economise the use of gold that this difficulty has arisen, and not because of the shortage of gold in relation to the credit transactions of the world. A good deal, in fact, could be said on the other side in regard to the question of the shortage of gold. The general policy now is to try to have the system of central banking, or federal banks, resorted to in place of the system of accumulating gold in the reserves of the banks. Therefore I do not think we need be scared by these suggestions that there will be such a shortage of gold, and such a demand for money, that, unless India is up betimes, there will be very great difficulty in financing industries in this country. I think this country will be able to finance itself, and it will be wisdom for the Finance Member not to go to the foreign money market unless it is absolutely necessary. I therefore oppose the amendment.

**Sir Darcy Lindsay** (Bengal: European): Sir, I feel the House owes a debt of gratitude to my Honourable friend Sir Victor Sassoon for the very lucid manner in which he has placed before us the danger particularly

[Sir Darcy Lindsay.]

of over-borrowing, and the dangers of not utilising the money we can borrow to the best advantage. I think the main point that he drove home was the importance of spending the money on new development rather than spending it on purchases of, as he instanced, railways that are already in existence. Sir Victor Sassoon and my Party are in entire sympathy with the acquisition of such railway systems as the Government of India can afford to acquire, but we do feel that, if the money is not readily obtainable, then it is far better spent in developing new railway systems, in spite of what my Honourable friend, Mr. Belvi, had to say on the subject. He appeared to argue that the sole idea of extension of railway systems was to find new markets for British goods.

**Mr. D. V. Belvi:** Is there any doubt?

**Sir Darcy Lindsay:** I don't know to what particular goods he refers. Is it the goods that are utilised in the making of the railway, or is it the distribution of piecegoods in far distant parts that are not already fed by the railway systems? Such an argument does not appeal to me, and I don't think Mr. Belvi really meant it.

My Honourable friend, Mr. Das, was very full of the way India was being bled white. It is a term that we have heard over and over again, a sort of stock phrase. Then there was also a good deal about exploitation. One point Mr. Das seemed to attach great importance to was India piling up interest charges on money raised in the London market. Does he not realise that the money obtained in the London market is being spent in India on development, which brings in a return, out of which the interest is payable? Take, for instance, the Bengal and North-Western Railway, that will cost 18 millions sterling. It has been pointed out that it will be of great benefit to India to acquire this Railway. The terms are not too onerous and the return to India in the way of earnings will be most advantageous. Now, surely Mr. Das can realise that, if we

1 P.M. borrow 18 millions sterling in the London market, or any market, in order to purchase this railway and secure the profitable earnings to ourselves, we shall have the money wherewith to pay the interest. In what way can this borrowing be held as a grievance of the country? I quite fail to understand his argument, Sir. I agree with my Honourable friend, Sir Victor Sassoon, that it is advisable for the Government of India to borrow in a cheap market. We know that, year by year, money is required, and if the Honourable the Finance Member finds that the time is advantageous, I certainly consider that it will be a wise policy on his part to borrow as much as he can. The question was referred to about the obtaining of money in India and the advancement of India industrially. I very much question, Sir, whether so large a volume of money is obtainable in India as some of my Honourable friends in the House seem to consider is the case. I heard only two or three days ago of a proposal to start a very important industrial concern in the Bombay Presidency, closely allied to the cotton mill industry, and of a British firm who were prepared to put into it a considerable sum of money. They wanted, or suggested, support from Indian money, but up to the present there has been no response. It is only a small case in point, but, if we talk about the advancement of India

industrially, I do feel that the people of the country, and myself included, Sir, should give full assistance in finding the necessary money. I do not altogether agree with my Honourable friend, Mr. Belvi, that it is for the Government of India to start these industrial concerns. Up to a point I am in agreement that they can very well assist and possibly guide companies on the right way, but with the idea that they should, of their own accord, start manufacturing industries, I am not in sympathy. I have nothing more to say on this subject, excepting that I entirely support the views put forward by my Honourable friend Sir Victor Sassoon.

**Sir Purshotamdas Thakurdas** (Indian Merchants' Chamber: Indian Commerce): Sir, when I saw this cut on the agenda paper, I was wondering whether I should support it or oppose it. After hearing the various speeches on the previous day, when this was discussed, and particularly the speeches to-day, I have come to the conclusion that I should oppose this cut. If the idea of my Honourable friend Sir Victor Sassoon is merely to raise a discussion on certain aspects of the borrowing policy proposed by the Honourable the Finance Member, he neither needs our support nor should he wish to carry the cut, for I take it, after discussion, he will withdraw the motion. If the idea, however, is to have a definite opinion from this House regarding what the Honourable the Finance Member should or should not do, I suggest to my Honourable friend Sir Victor Sassoon that this is the least desirable method of getting an expression of opinion from this House regarding, what some of my Honourable friends on this side of the House regard as the correct national policy regarding borrowings on behalf of India. I am afraid that the expression of opinion on this question, as raised by my Honourable friend by his cut, must be looked upon purely as a personal expression of opinion and nothing more. I really wonder if the Honourable the Finance Member himself would consider that the two or three hours spent on this have given him much more than the opinion of a few Members who took part in this debate.

The House will remember that my Honourable friend divided his speech on this cut into three parts. He dealt with the first part on the first day, and he dealt with the other two parts to-day. As my Honourable friend Sir Darcy Lindsay emphasised rather the last part of my Honourable friend's remark regarding the question whether the Government of India would be justified in extending railways in view of the comparatively small means at their disposal for capital expenditure, or whether they would be justified in acquiring railway lines already in existence—and my Honourable friend Sir Darcy Lindsay struck me as attaching considerable importance to that aspect of Sir Victor Sassoon's remarks,—I will deal with this first. I do not know, but I think I am correct in saying, Sir Victor Sassoon's remarks on this third aspect of his motion were made by referring to the general international conditions regarding tightness of money, and he came to the conclusion that he was looking forward to comparative scarcity of money and credit in the world at large for the next few years. India is lucky if she can effectively look after her own requirements, and if she can have a voice regarding what suits best as far as India herself is concerned in all matters of currency and finance. It is therefore futile for me to say anything regarding the international aspect of the money market of the world. Unfortunately the lot of India is to follow in the wake of what countries like America and England do. The question, therefore, which immediately interests this House is this. Would



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the House prefer the Honourable Member to say: "I will give you whatever spare capital I may have as available for capital expenditure on a few extensions of railway lines or a few extensions in any nation-building activity", or would the House prefer the Honourable Member to go in for (what I think has been mentioned repeatedly by several Members in the course of the debate) acquisition of the Bengal and North-Western Railway? I should have thought that, as the question of acquisition of this Railway does not come up till some time early in 1932, and as Mr. Parsons, in the course of his reply, said that the Government of India would not even begin to think actively about it till some time in 1931—I hope I am correct about my dates . . .

**An Honourable Member:** Quite right.

**Sir Purshotamdas Thakurdas:** In view of the fact that that question would not come up till 1931, I am a little surprised at my Honourable friends in the European Group attaching so much importance to this question being settled today, and now, by this cut. I really hesitate . . .

**Sir Darcy Lindsay:** We do not attach much importance.

**Sir Purshotamdas Thakurdas:** But, Sir, that was the only concrete instance mentioned before the House. If my Honourable friend, the Leader of the European Group, says that that was only for the purpose of exemplification, and nothing more was meant, I should be glad to have it for the purpose of record.

**Sir Darcy Lindsay:** That is entirely so, Sir.

**Sir Purshotamdas Thakurdas:** I am very glad, Sir. My Honourable friend says that it is entirely so. However, I will follow up this instance, as it has been taken for purposes of exemplification. Sir Victor Sassoon is right in saying that, in ordinary course, any person, or country would prefer to have more railways with new capital than buy up avoidably existing Railway lines, especially if the capital available be limited. (*An Honourable Member from the European Benches:* "Hear, hear.") I hear some Honourable Member say "Hear, hear", I hope he will continue to say "Hear, hear" when I proceed a little further. That, Sir, should be the case in the ordinary course. If however my Honourable friend Sir Victor Sassoon had occasion to travel on the Bengal and North-Western Railway, he would have hesitated to, at least, mention the acquisition of that Railway as an instance today. Sir, that is an instance which is to be treated as an exception to the ordinary general rule.

**An Honourable Member:** Quite so.

**Sir Purshotamdas Thakurdas:** My friend Sir Victor Sassoon thought fit to name the agriculturists and to appeal to this House in their name. I am personally convinced, Sir, that my friend has the best interests of the agriculturist of India at heart; but let me ask him one question. Does he think that the best interests of the agriculturist will be served, or that even his own interests will be served if, when travelling on a railway line between say Bombay and Delhi, trains are not punctual and timings are not regular—the engine goes only half way and then the steam goes off? Would the Honourable Baronet think that such a railway should be allowed to exist there as it is and that the Government of India should



be asked to spend the available capital, not for improving the management of that line, but for the purpose of constructing another railway line somewhere else? We all know, Sir, that Government wish to improve the standard of comfort of the masses of India. The standard of comfort provided on railways throughout the country, and especially the standard of comfort provided on the Bengal and North Western Railway, demands attention. It is no good saying that, that railway in particular should not be acquired. I say to everybody who has the welfare of the third class passenger at heart, and who has any idea of decent management of a railway, that the Bengal and North-Western Railway requires acquisition by the State in 1932. Therefore, Sir, I suggest that the example cited by my Honourable friend from Bombay was a particularly unfortunate example, especially if he meant—Sir Darcy Lindsay, however, says “No”—to get an expression of opinion from this House that the Bengal and North-Western Railway should not be acquired in 1932. If there is any such meaning behind his remarks, I say it is too early to consider this as a concrete proposition today. But if my friend in the European Group are looking forward to an expression of opinion by this House in this connection, I say that the opinion of this House—at least of this side of the House—is that the Bengal and North-Western Railway, is so badly run that it has to be acquired, if for nothing else, for having a decent management of the Railway and for giving ordinary comfort to the people who have to use that Railway.

**Sir Darcy Lindsay:** Sir, I think I made it perfectly clear in my remarks that, if the money was readily available, Government should, by all manner of means, acquire this Railway.

**Sir Purshotamdas Thakurdas:** I am now coming to the money part, Sir. If money is at all available for capital expenditure on railways, it is better to utilise that for making an existing railway line more useful, and better, to make it less obnoxious. I am not yet so nervous as to feel that finances of the Government of India are so bad that they will not be able to get any money at all. But, as I said at the start, it is too early to think of it today. There are two more years before the Government of India will begin to think of it. Why do my Honourable friends of the European Group want us to decide this question today?

The second part of my Honourable friend's speech was to this effect: “Did borrowing outside India carry any political bondage with it”? My Honourable friend, Sir Victor Sassoon, said he had never heard it said that, if the Government of India borrowed in London on the credit of India, any conditions were laid down by lenders from Lombard Street. When I dealt with this subject, in my speech during the budget debate, what I was trying to bring home to this House, and to bring to the notice of the Honourable the Finance Member, was the reason why Indian opinion, generally speaking, had a prejudice against capital borrowed abroad—and abroad to India means in London. I have not yet got the printed copy of my speech, Sir; otherwise I would have liked to quote from it. What I said was that there is a general prejudice against any capital borrowed from abroad, because till now, whatever money has been borrowed from abroad, has always brought with it undesirable restrictions, *e.g.*, in regard to the management of railway lines built with that capital, I mentioned to the House the restriction put on the railways of India that 25 per cent. of the personnel of staff on those railways should be Britishers. The

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railways of India, everybody will agree, have no political complexion about them, barring the strategic lines. In fact we have been asked to treat the railways as "a commercial proposition", and yet we have this restriction that there should be at least 25 per cent. of Britishers in the personnel, irrespective of the merits of Indians. No wonder few have been able to convince Indians that there is no condition attached to the capital borrowed from abroad.

My Honourable friend, Sir, referred to orders on behalf of the Government of India, for a few rails from Belgium; and Sir Victor Sassoon said: "You see, there can be no restriction; rails were actually bought from Belgium for the purpose of India with the capital borrowed in London". Sir, for one isolated instance which my Honourable friend has been able to quote, he will find perhaps ten instances quoted in the Reports, which, at intervals, the High Commissioner makes, and which are placed on the table of this House. There he will find that the High Commissioner says "This order has been executed in London because"—because of what?—not because it could not be purchased elsewhere cheaper, but because—"the order came from India as an urgent order, and it had to be executed at once". Now, so far as the Governor General in Council is concerned, orders have been passed according to which, as far as possible, no indents should be sent out to the High Commissioner as urgent. But still, Sir, indents continue to go as urgent. In the Reports my friend will also find that orders go to the High Commissioner, ear-marked that they should be executed by particular manufacturers or firms in the United Kingdom. In this manner, the spirit of the arrangement between the Treasury Benches and this part of the House, which has been looked upon as satisfactory on paper, is being got round. I am not quite sure of the last six months or a year, but before that, every year my Chamber used to address two or three letters a year to the Government of India, in the relative Department, pointing out, whenever a list of the High Commissioner's purchases was placed on the table, that this principle of buying in the cheapest market was being broken by urgent orders and by orders ear-marked as orders which must be placed with selected manufacturers.

**Sir Victor Sassoon:** That does not arise out of where the loans are to be raised.

**Sir Purshotamdas Thakurdas:** That is just what my Honourable friend has not been able to perceive. It arises out of the 25 per cent. personnel restricted to British recruitment from England, even though there be Indians equally fit and capable. If you did not have this restriction on the Indian personnel, the country would not have this sort of suspicion against orders executed in England. There are distinct instructions by the Government of India, which I know are sincere instructions as far as the Executive Council are concerned. Despite that, Heads of Departments continue to send urgent orders, orders which must be complied with within a month or two, orders which must be bought from particular individuals. Now, I suggest to the Honourable Baronet that he study a few of these lists, which have been placed on the table of the House during the last two years, and he will then see that, although there be no condition attached to these various loans raised in London, orders for machinery, etc., continue to be executed in London to a very very considerable, and in fact substantial proportion. It is for this reason, Sir, that

I said that it is very necessary that capital works financed with capital, borrowed by the Government of India, should be run on commercial lines; there should be no restriction regarding personnel in such services. The son of the soil must have a preference for employment in his own country with equal merits. What justification have Government to say, 25 per cent. shall be British, even if they can get Indians with equal or better qualifications? When Government have corrected this short-sighted policy, the Honourable Baronet will be in a better position to stand up in this House and say there is no handicap on India regarding the capital Government borrow in London. In the meantime, whatever my friend's eloquence may be, he will not find an audience in this House which will be very willing to swallow all that may appear, on paper, to be sound.

I have, Sir, only one more point to refer to. In the first part of his speech last Thursday, the Honourable Baronet referred to shortage of long-term Government securities during the last few years, which resulted in a boom in Government security prices. Now it is true, Sir, that the remarkable achievement", as put by the Finance Member of the last regime, did result in many short-period borrowings in India. My friends of the European Group now want the Finance Member to borrow money wherever available, and in large sums, whenever he thinks that the rates are reasonable. I have a little apprehension in endorsing any such instruction to the Government. I very well remember, Sir, that in 1921, when I happened to be in London, the first borrowing—after the War—was done in the London money market for India. It happened to be about lunch-time on the day that the loan was announced, and within ten minutes of the loan being opened it was over subscribed. The friend with whom I was lunching asked me what I thought of such good credit of India in the money market. The loan was, if I mistake not, at 7 per cent. per annum. That loan subsequently went to about 17 per cent. premium, and we were told what a cause for gratification it was that India should be the first to borrow in London after the War. No other borrower in London,—major countries,—Sir, has, since the War, paid as high a rate as 7 per cent. It is, therefore, somewhat difficult to trust the judgment of those great good men in Whitehall and the India Office. Their intentions may be of the purest, but somehow or other the coincidences have been such that we have not yet been able to congratulate either them or ourselves on their good intentions. What I therefore say to Government is, "You want all the capital which you can get. We cannot tell you to borrow at a particular juncture in London, or at a particular juncture in India. The prejudice you yourselves have created against borrowing in London, owing to your policy till now, is unfortunately so deep that it will be difficult, even with the best intentions of the Honourable the Finance Member, for him to convince the Indian public, *all at once*, that he is serving the best interests of India by borrowing in London." But even there, I have just a small caveat to make. My Honourable friend Sir Victor Sassoon says, "Let the Government of India borrow in London first." He says, we want all the capital that is in India for the purpose of industries in India. If the policy of the Government of India regarding industries in India did at all inspire confidence, we would not have had the high premia on Government securities during the last few years. It was only two years back that my Honourable friends on these Benches (European Benches) were clapping themselves almost to fatigue when they were told. "See how the credit of

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India has improved; 8½ per cent. paper in India stands at 77 and higher, and in London at 71 or 72 per cent"; and speeches of congratulation to Government followed. Today they turn round and say "Borrow first in London and preserve the capital in India for Indian industries." It is a little embarrassing, Sir, when we are recommended such varying remedies just as the wind blows. The best thing to do, to my mind, is to try patiently to make up for the oversights, the mistakes and the misadventures of the past. I know that my Honourable friend Sir George Schuster is a practical financier. He has considerable experience of borrowings and landings, in short, of the international financial situation. I would like the House to trust him and to see how he is prepared to do his best for India. In fact has this House any option in this matter? The position is not one which is avoidable. It is there. Sir George Schuster has to handle the situation. Let us not embarrass him at this stage by giving him instructions of this nature or that nature. He has heard our views. Let us wish him Godspeed in borrowing for India in the cheapest market, wherever feasible, and wherever he can make sure that he will be able to satisfy this House and the country that he has done his best by India. Merely borrowing outside or borrowing in India will not do. In fact, I am inclined to agree with my Honourable friend Mr. Rangaswami Iyengar, when he said that he would not mind if Government borrowed in India, even at a little higher rate than they would have to pay elsewhere, the whole point being that those who have to invest in Government securities here should not be prevented from doing so. For instance, there are charitable trusts and charitable institutions; there are people like widows, who want to put their Rs. 500 or Rs. 1,000 in Government paper. Surely my Honourable friend would not want them to have to wire to London to buy Government paper for them there. So it is difficult to lay down, in one or two sentences, what the Honourable the Finance Member should do. I think that, all the speeches made here are a sort of guide to the Honourable the Finance Member as to what the House generally thinks; but I repeat, it should not be looked upon as an expression of opinion by the House as such, and I therefore think that my Honourable friend should not press it to a division, because it will be difficult for many of us to vote with him.

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

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The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. President in the Chair.

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**Mr. President:** Sir George Schuster.

**Mr. Ram Narayan Singh** (Chota Nagpur Division: Non-Muhammadan): I want to say something, Sir.

**Mr. President:** Sir George Schuster.

**The Honourable Sir George Schuster** (Finance Member): Sir, I think that we can all feel grateful to my Honourable friend, Sir Victor Sassoon, for having raised this question. I think the result of the discussion has

at least done something to clear the air on this subject, and I think it has carried a step further the task which I myself tried to initiate in my original budget speech—the task of putting the situation as it actually stands to-day clearly before the Members of this House. Sir, we have heard a good deal about principles, and questions of principle have been argued on both sides. But I feel, at the end of it all, speaking for myself and looking to the responsibility of my task, that I have to go back to my desk and face practical realities; and I venture to think that, in dealing with the problem as it stands before us to-day, there would not be very much difference in the practical course adopted by anybody who filled my place, whether he was chosen from among Honourable Members opposite, or from the Group which my Honourable friend, the gallant Baronet, adorns. Sir, from that point of view, I was particularly grateful to my Honourable friend, Sir Purshotamdas Thakurdas, for the conclusion to which he came at the end of his eloquent speech. His last words were: "After all, in the end, you have got to trust the Finance Member." I am grateful to him that, at least in these initial days before he knows very much about me, he is prepared to place a certain amount of trust in me. I hope that I shall continue to deserve his trust.

**Sir Purshotamdas Thakurdas:** We all hope so.

**The Honourable Sir George Schuster:** Sir, every one who has to conduct a financial policy is bound, on occasion, to make mistakes, for the man who makes no mistakes makes nothing. At least such mistakes as I make will not be made because I differ in principle from Honourable Members opposite on what I consider to be the key-note of the whole matter. In whatever is done as regards borrowing and capital expenditure, there must be one object and one object alone, before us, and that is, it must be done for the benefit of India. Sir, there may be different views as to what is to the benefit of India, and we have heard something of those differences to-day. I think that there do underlie the arguments which have been used on the other side occasionally, at least certain fallacious assumptions. It has been argued, on the other side, that the whole policy of the Government of India in the past has been to devote all its capital expenditure to the construction of railways, and that in the construction of those railways, British materials have been used, and therefore the policy has been directed, not to the benefit of India, but to the benefit of British Industry . . . .

**Mr. Ram Narayan Singh:** Quite so.

**The Honourable Sir George Schuster:** Sir, I think that is an entirely fallacious assumption. If one looks at this country—certainly I coming as a stranger to it—if I were asked to say what is the first step in the development of this country, I think there can be no doubt about the answer, that this country is primarily an agricultural country, and therefore, if one is seeking its development, it is towards the development of agriculture and agricultural production, that one should first turn, and the object of constructing railways is to help the agriculturist to get a market for his produce . . . .

**Mr. Gaya Prasad Singh** (Muzaffarpur cum Champaran: Non-Muhamadan): First improve agriculture and the methods of cultivation.

**The Honourable Sir George Schuster:** I have not caught the observations which fell from the lips of my Honourable friend, but perhaps he will allow me to proceed. I did not say that the construction of railways is the only way in which agriculture can be developed, and therefore I entirely agree that this debate has been of value, because it has helped to bring before us this point, that in selecting the objects for capital expenditure, it is desirable that we should have before us all the various alternatives. It may be that, at the present moment, the construction of railways has gone far enough. It may be that such money as can be raised would be better devoted to the development of irrigation. That is a question which must be handled as a practical question of policy. But I think no one can deny that the construction of railways, which has been undertaken in the past five years, has been to the benefit of India. There may be views held that other methods of expenditure might have been more beneficial to India. As to that, I think it is very difficult to express an opinion; but it is generally held that the development of transport facilities should come first in the programme of developing the resources of a country like India.

Then, Sir, there seems to be a suggestion that, in any business transaction, the advantage must always lie entirely on one side; that, because it suits exporters in England to sell railway materials to India, therefore there can be no advantage to India out of that transaction. Sir, speaking as one who has spent most of his life in business, that strikes me as a particularly dangerous type of fallacy. The essence of every sound business transaction should be mutual advantage, and the man who, in the course of his business, seeks to conduct every transaction in such a way that he leaves no benefit to the man with whom he is dealing, in my experience, never succeeds. The essence of trade is that one man is able to sell and produce, at a cheaper price, commodities than another wants to buy. Honourable Members here, looking to the sale of manufactured goods, regard the exporter who wishes to find a market for his goods as somebody who is trying to exploit the country to which he sells them. But I would remind Honourable Members that India herself is also an exporter of goods, and I would ask them, do they think it is reasonable to say that the Indian merchant, who tries to find a market abroad for jute, cotton, and rice, is exploiting those countries to which those commodities go? Surely, the transaction is exactly the same in both cases, and I think it is most important to remember that, unless a country takes a certain amount of imports, it cannot find a market for its exports. We have had, on occasions, even in this country, interesting examples of the way in which the two sides are interdependent. We have heard a good deal recently about the troubles of Burma and the Burmese export trade in rice. I do not say that this is a wholly true account, but at least it is an account in which there is an element of truth, if I were to put the facts in this way: that, in order to give some protection to the Bombay spinners, a duty is put on yarn, which has a particularly unfavourable effect on Japanese exporters of yarn. As a result, or at any rate, as a sequel to that, Japan closes her market to exports of rice from Burma. The two sides are interdependent, and for a country to achieve its maximum possible economic development, it must devote its energies to those goods which it can itself best produce, and devoting its energies to those, it will have an exportable surplus which can be sold in foreign markets, provided, in return, there

is a readiness and an opportunity to take in goods manufactured there. These are all very elementary facts, but it seems to me that they are sometimes forgotten.

On the general question as to the amount of borrowing which should be done abroad, or as to the relations between borrowing in India and borrowing abroad, I do not myself feel that, as a result of this discussion, there is so much difference between us. I certainly find that the views which I expressed in my original budget speech remain unaltered, and I am prepared to stand by those. Those views were, that it was our duty and it was the best thing in the interests of India that everything should be done to encourage Indian investors to save their money and put it into productive undertakings, and that the Government could do a great deal in encouraging all the people of this country to put their money into productive undertakings. (Hear, hear.) I think the Government have greater facilities to do that with their powerful machinery. Through the post offices, they have greater facilities for getting into close contact with the agricultural population of this country than any private enterprise could have, and therefore, to that extent, I would suggest a modification to the theory which was supported by my Honourable friend Sir Victor Sassoon, namely, that the Government should take advantage of their opportunities to encourage investment, and that they must do that by giving facilities to the small agriculturists and the small investors of the country to take up some form of Government security. I do not think that my friend would quarrel with me in that result. He even went so far as to suggest that I myself might have some power to charm and obtain precious metals from the secret places where they are now kept. At least I think you will all agree that, so far as the Government have it in their power to attract that sort of wealth and ensure that it goes into productive undertakings for the benefit of this country, it would be well for them to exercise that power. There is, however, one aspect of the argument which was advanced by my Honourable friend,—one aspect with which I find myself in agreement, and which, I think, is of importance to emphasize, namely that the needs of Government must not be considered entirely regardless of the needs of private enterprise. Those who are responsible for handling the finances of this country have a double responsibility laid upon them. The Government in this country is forced to interfere in private business much more than the Governments of most countries have to do. In the first place, the Government at present are the chief currency authority, and when they look to their responsibilities in that matter they find themselves, as I say, with a double responsibility. In the first place, there is the Government business to transact. The Government are the largest factor in the exchange market itself, because they have to remit very large sums of money every year. Then again, when it comes to borrowing, the Government again are a very large factor themselves in the market because the Government of India have to finance the whole of the enormous railway undertakings, and everything else which is done by the Provincial Governments in the form of development or irrigation and other economic enterprises. Therefore, the Government, while controlling the exchange and currency, are themselves all the time a very interested party. Our object, all the time, should be to satisfy our own needs in such a way as to create as little disturbance as possible in the general conditions of business, and I want to take this opportunity of saying that it will always be my object so to conduct the



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business which the Government have to transact on their own account, as to create as little as possible disturbance in the general conditions of business, and to maintain a feeling throughout of security and stability. (Hear, hear.)

I have recently been criticised on several occasions in this House on account of the raising of the Bank rate. That is one of those occasions where perhaps my Honourable friend, Sir Purshotamdas Thakurdas, would have taken a different course had he been in my place. It is one of those occasions where I agree there is room for different views; but the point which I want to emphasize is this, that, so far as I was concerned in taking any decision, the decision was taken on grounds which I considered to be grounds affecting the general condition of the country and the general conditions of business. It had nothing whatever to do with meeting any particular needs of the Government, and it will always be, as I said before, my endeavour to conduct business on those lines. Sir, I do not think it would be profitable to this House to continue the discussion on this particular matter any further. I am quite content to let it rest at the point where it was left by the last speaker who, as I said, at the opening of my address, was prepared to pay me the compliment that, for the present at least, he would trust me to handle the business of this country in the best interests of this country.

**Sir Victor Sassoon:** Sir, I beg leave to withdraw my motion.

**Mr. President:** Is it the pleasure of the House that the motion be withdrawn.

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

**Mr. President:** The question is:

"That a sum not exceeding Rs. 10,74,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1930, in respect of the 'Finance Department'."

The motion was adopted.

#### DEMAND NO. 28—EXECUTIVE COUNCIL.

**The Honourable Sir George Schuster:** Sir, I beg to move:

"That a sum not exceeding Rs. 66,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1930, in respect of 'Executive Council'."

*The Present System of Administration of the Government of India.*

**Pandit Motilal Nehru** (Cities of the United Provinces: Non-Muhammadan Urban): Mr. President, I move:

"That the Demand under the head 'Executive Council' be reduced to one rupee."

The question I am going to raise on this motion is the old, old constitutional question. It is a hardy perennial which has taken firm root in the rich soil of the present system of Government. It thrives in the soil of benevolent despotism, receiving continuous nourishment from the stream



of executive high-handedness, which careers merrily along in its uninterrupted course throughout the year. It is an evergreen, which comes into blossom about this time of the year with what looks like the promise of a rich harvest of fruit. But the ever vigilant bureaucratic gardener, who knows that the fruit is likely to be poisonous for him, takes care to gather the blossom before it can fulfil its promise. He sets to work again. The plant, which is now a tree, shoots out new branches with greater wealth of foliage than in preceding years, and blossoms forth again at the appointed time. But that blossom again lies at the feet of the gardener before the fruit has taken form. This process goes on from year's end to year's end, the tree becomes stronger and stronger every year, and the annual blossom richer and richer, but always gathered before there is any sign of the fruit. The only consolation to those to whom the fruit is not poison but nectar is that the tree is still growing and that the blossom, when it next appears, will be out of the gardener's reach. It will then more than fulfil its promise. Sir, this is the exact situation. The national demand which is the hardy perennial of my metaphor has all these years been nourished on the excesses of bureaucratic power. Year after year it has come into full blossom at the budget debate but has never borne fruit. The time has now come when it is beyond the power of autocracy to prevent fruition in the ordinary course of nature. To those who have the eyes to see, it ought to be clear that all further attempts to hinder or delay this natural process are bound to end in disaster. (An Honourable Member: "Hear, hear.") But before I proceed, let me once again explain the genesis of my motion.

Our quarrel is with the present system of administration, and the Executive Council of the Governor General is the fountain head of that administration. The only point in its armour exposed to our attack in the budget is the votable portion of the Demand, which is the trivial figure of Rs. 66,000 under sub-head "Touring Expenses". Let me make it quite clear that it is not our intention to deprive our Honourable friends on the Treasury Benches of their comfortable saloons and force them to walk long distances with rations of parched gram in their pockets, as the late Sir Alexander Muddiman thought we were aiming at. As I said, the motion raises a constitutional question and is based on the principle of redress of grievances before supplies. We cannot refuse supplies which are not submitted to our vote, and have therefore to content ourselves with refusing that part of the demand which is voted. The implication in theory, however, is the same as it would be if we could refuse supplies altogether. (An Honourable Member: "I wish you could".)

I will, Sir, with your permission, briefly recapitulate the history of this national demand. It was in February 1924 that it was first put forward in this House by a Resolution which, in the form of an amendment, I had the honour to move. That amendment asked for full responsible government and a round table conference. It asked that, after a round table conference had come to conclusions, and framed a constitution for India, with due regard to the interests of the minorities, that constitution was to be given the sanction of law by Parliament after it had been passed by a new Legislature, elected on an enlarged franchise. This Resolution was passed by an overwhelming majority, but the only response which it elicited from the Government was a departmental inquiry. That response could not be improved upon by Lord Olivier who simply repeated, what had been said in this House, from his place in the House of Lords. We

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then refused the first four grants and rejected the Finance Bill. All the grants which we had refused were restored, and the Bill was certified. This was followed by repression in Bengal. That is an oft-told tale and I do not propose to go into the details of that repression. Tracing the history of the national demand further, we come to a period which was covered from July to December 1924. During this period, various conferences were held throughout the country, and these conferences unanimously supported the demand as it was adopted by this House. Then we come to the year 1925. On the 20th February of that year the demand was again put forward on the Railway Budget by refusing the whole grant and the Executive Council grant. In May 1925 there was the celebrated speech of the late Mr. C. R. Das, in which he made a generous offer. All that he asked for was to have a place from where he could grow. I am not repeating his words as I have not got them before me. He said that, unless there was something which enabled our countrymen to find themselves and to determine for themselves what was to be the constitution by which they were to be governed, unless there was free scope and no hindrance there could be no co-operation with the Government. Lord Birkenhead wholly rejected this proposal. Meanwhile there had been the Muddiman Committee and the Majority and the Minority Reports of that Committee. Lord Birkenhead accepted the Majority Report and refused to adopt any of the recommendations made by the very weighty Report of the Minority. Then we come to September 1925. The national demand again came up and it was put forward in answer to a Resolution of Sir Alexander Muddiman as an amendment indicating the lines upon which the constitution for India would be acceptable to the country. That again was a demand for full responsible government. That Resolution represented the agreement of the two principal Parties—I cannot say all Indian Members of the House, as some of them were out of it—but it was an agreed resolution of the Congress Party and the Nationalist Party. That again was carried by a large majority. Then came the speech of the Governor General in the Council of State, where he formally rejected the offer. Now, in putting forward the demand in February 1924 and again in September 1925, I took occasion to make the position of the Congress Party perfectly clear. I told the House that we came in as non-co-operators, but that we were willing to co-operate on our own terms and that we were willing to discuss those terms with any representatives of the British Government who had the power to discuss them with us but that we would not submit to any constitution which was going to be imposed upon us from outside. Now that offer of co-operation was also rejected and the Muddiman Committee Report was accepted, I mean that of the Majority.

**An Honourable Member:** Afterwards it became the Minority.

**Pandit Motilal Nehru:** My friend here reminds me that it became a Minority Report by reason of the change of views of one of the members of the majority after he retired from office.

**Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural):** But the Minority Report kept intact.

**Mr. President:** Pandit Motilal Nehru.

**Pandit Motilal Nehru:** At this juncture the Indian National Congress, in December 1925, decided that Congressmen were to go to the country at the coming elections, gain its support to the national demand, and work among the people for the necessary sanctions. When returned to this House they were to put forward the national demand once again, and if it was not heeded, they were to walk out. These directions were faithfully followed by Congressmen. They came back to the Assembly in larger numbers. They put forward the national demand which I had the privilege of doing in March 1926. After the demand was put forward the whole of the Congress Party walked out.

**Mr. K. Ahmed:** With what result?

**Pandit Motilal Nehru:** The result so far you have seen, and you will see what follows. Then came the next session—January to March 1927. All the Parties again stood by the national demand, and reiterated it in the House on the cut on the Executive Council. That was at the budget discussion of 1927. We then set about to set our own House in order, and various conferences were held in the country for communal and political unity, and to frame an agreed constitution. While these proceedings were going on, and efforts were being made by the people to secure their rights, the Government in England appointed the Simon Commission. That Commission, as we all know, was appointed in spite of the wishes, almost unanimous, of the people of India. There never was greater unanimity on any point, than on this—that the Simon Commission was not wanted and that what was wanted was something very different, namely, a constitution made by ourselves. Now it may be that it was not precisely for the same reasons, but the fact remains that all Parties united on boycotting the Commission—by all Parties I mean all political Parties of any standing in the country, Parties that had existed from before, and had exercised some influence in the politics of the country. Well, the boycott of the Simon Commission was decided upon and we all know how that boycott has been carried out. Sir John Simon and the members of his Commission will soon be returning, after practically finishing their work, to Delhi, and will shortly after that go back to their home, to the relief of the whole country!

**Mr. K. Ahmed:** But what about the Nehru Report?

**Pandit Motilal Nehru:** As to what they have been able to accomplish, that of course nobody knows, but it will sooner or later appear, I am quite sure, in the form of a voluminous report. So far, however, as the country is concerned, so far as those who, from the beginning boycotted the Simon Commission, are concerned, they have nothing whatever to do with it. As regards the Congress, it goes much beyond the other boycotting Parties. Even if Sir John Simon makes a report which satisfies other Parties, it is not going to satisfy the Indian National Congress. Indeed, so far as appearances go, and so far as one can judge by the signs, they are going to produce a report which in all probability will satisfy nobody, except perhaps my friends of the European Group and the Treasury Benches.

Well, in 1928, the national demand was repeated in this Assembly. At the same time there was an All-Parties Conference held in Delhi. It continued its deliberations from February to March, and a Committee was appointed to recommend the principles of a constitution for India.

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Another Conference was held in Bombay later in May and another Committee was appointed. This Committee sat day after day, in the hot months of May, June, July and August and, working against time, produced a report.

Now, Sir, the latest form which the old national demand has taken is that contained in the constitution framed by this Committee, over which I had the honour to preside. It is based on the constitution of the Dominions and claims the same form of full responsible government which the Dominions enjoy.

**Mr. K. Ahmed:** How many classes of people live in the Dominions?

[Several Honourable Members here called upon the Honourable Member (Mr. K. Ahmed) to observe silence.]

**Pandit Motilal Nehru:** So far as this basic principle is concerned, the whole country and all shades of opinion, political, religious, commercial and industrial, are fully agreed. (Hear, hear.) There is of course that important wing of the Congress which aims at complete independence, but there is no section of the people who will have anything less than full Dominion status. As for the Independence Wing of the Congress, it has also agreed to adopt the constitution framed by the Committee, if it is forthwith conceded by the Government.

This is not the place nor the occasion, to discuss the details of that constitution, and I must make it perfectly clear that I am not asking this House to adopt it either in whole or in part. I mention it as an important event which has happened in the course of the year, and also to emphasize the fact that, so far as Government are concerned, we are at one in our demand for responsible government of the Dominion type. (Hear, hear.) We have on this motion nothing whatever to do with the merits or demerits of that Report on particular points of detail, however important they may be considered by some of us to be. What we are concerned with on this motion is the failure of the Government to give adequate response to the demand for full Dominion status. I hope Honourable Members will fully realise this when they speak or vote on the motion. That vote can only be one, after the Resolutions we have been consistently adopting so far, and that in favour of the motion. I will not blink the fact that there are certain points arising out of the general scheme of communal settlement proposed by the Committee which are the subject of controversy between certain sections of Hindus, Mussulmans and Sikhs. But having regard to the magnitude of the task undertaken by the Committee, I make bold to say that the existence of those points of difference is no matter for surprise. Indeed it is a matter for surprise that there are not more points of that nature. Such differences must, in the very nature of things, arise in all countries inhabited by several communities, when attempt is made, for the first time, to frame a constitution, and experience shows that they have, as a matter of fact, arisen in many countries. Such differences are never settled by argument, but have a way of settling themselves when people are faced with bigger issues involving immediate attention and prompt action. Without, in the least, attempting to deprecate the attitude adopted by any section of the community, or pronouncing any opinion on its view point, I have no hesitation in saying that the root cause of those differences lies in the common distrust of the Government. I have often heard responsible

politicians say that they would not insist upon this or that point if they were only sure that the Government would concede the main demand put forward in the Report, namely full Dominion status, based on adult suffrage, but as, in their opinion, that is not to be, they feel they would be seriously handicapped if they resiled from the position taken up by them. The necessity for additional safeguards is felt only to meet a situation which might arise by the Government forcing half-hearted measures of reform on the people. I am absolutely certain, in my own mind, that no sooner full Dominion status becomes an accomplished fact, all differences will automatically adjust themselves. (Hear, hear.) The Indian National Congress has no such misgivings upon this point, as it is determined to have full Dominion status immediately, and nothing short of it. If it is not forthcoming in terms of the Resolution passed by the Congress at its last session in Calcutta, nothing in the Committee's Report will bind anybody and Congressmen will be free to follow their own programme and invite the country to join them. It is therefore unnecessary for me to take the time of the House over these minor matters, and I appeal to Honourable Members, whether elected or nominated, to refrain from discussing these matters on the floor of this House. The door of negotiation and compromise between ourselves is still open and will always remain open. No constitution, however carefully drawn up, can subsist for all time to come. The working of all constitutions has, from time to time, revealed defects and hardships which have had to be removed. As I have said on more occasions than one, we do not claim perfection for our scheme. Whatever defects there are in it will, I am sure, be easily removed by mutual settlement sooner or later. So far as I am personally concerned, I wish to make it quite clear that, on the few points of difference that still remain to be adjusted, I would certainly willingly concede the full demand made by either Party if only the other Party would allow me to do so.

**Mr. K. Ahmed:** Let it be settled first.

**Pandit Motilal Nehru:** But in the absence of such agreements, we must wait to find some formula which would be acceptable to all. I have not despaired yet of such a formula, but as sure as I stand here, that formula will be found the moment there is a reasonable certainty of full Dominion status being established, if not long before that. For the present, however, my Committee and I feel that we shall not be justified in departing from the general scheme of our recommendations.

To the Treasury Benches I say, do not seek shelter under the few points of difference that still remain to be adjusted among us. Come out with what you have really in your minds. Are you or are you not prepared to concede full responsible government of the Dominion type? If you are, then take the necessary steps to bind yourselves to your promise and we shall not have any difficulty in presenting an agreed constitution on the basis of full Dominion status. Do not tell me: we must wait for the Simon Report, and the parliamentary procedure which must follow. We, on this side, have nothing to do with the Simon Report or anything to be done hereafter on the basis of that report. But we have always been and are still ready to confer with the representatives of the British Government on equal terms, provided that India has the predominant voice, and provided also that any agreement reached in such a conference is duly given effect to by necessary legislation.

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His Excellency the Governor General was pleased to say, in his inaugural address, that Parliament would not reduce itself to being a mere Registrar of decisions of other persons. Let me, with due deference, point out that it will not be the first time in British history for Parliament to register a constitution framed by the people in consultation with the representatives of Great Britain. It has already done this in the case of South Africa, in the case of the Irish Free State, and practically also in the case of other Dominions. We do not deny that Parliament is supreme, but the giving effect to mutual agreements and understandings between two great people by necessary legislation will not, in the least, detract from that high position. On the contrary it will only add to the credit, the honour and the dignity of the great Mother of Parliaments (Hear, hear.) His Excellency also charges us with intolerance and impatience. In the brief sketch I have given of the history of our demand, I have shown how tolerant and patient we have been. All I can say is that the cup is now full to the brim and will not hold another drop.

My attention has been called to a recent statement made by Sir John Simon, wherein, after his usual platitudes, he holds out the hope of a constitution for India being ultimately framed by Britain and India together. We cannot allow ourselves to be deluded by such pious hopes. I attach no more importance to the statement than there is in the usual invitation to a famous parlour. Sir, I am no believer in omens, good or evil. But it cannot be denied that certain events have happened and are happening in a most ominous manner have a significance of their own. It seems that we are moving in cycles of ten years. It was in 1917 that Mr. Montagu came out to India. It was in 1927, exactly ten years after, that the Simon Commission was appointed. In 1919 there were two Bills popularly known as the Black Bills, or the Rowlatt Bills which were passed over the heads of the Legislature. In 1929, two similar Bills are again on the anvil, I mean the Public Safety Bill and the Trades Disputes Bill. In March 1919, the agitation began on the Rowlatt Bill and at an early stage of that agitation Mahatma Gandhi was arrested but shortly released thereafter. In March 1929, Mahatma Gandhi is arrested again and released on his personal recognisance. The sixth of April 1919 was a Sunday, on which Jallianwala was perpetrated. The sixth of April 1929 is also a Sunday, and God knows what is going to happen on that day. But before the Jallianwala day arrives, we have, in March 1929, as the telegrams received only this morning show, an elaborate justification of the action of General Dyer. There is a book published in England, which is stated to have been written at the request of the family of General Dyer. But I am inclined to think that the request was not from the family in the ordinary sense in which we understand the word, but from the larger family of officialdom. Well, this book is issued by a journalist named Colvin in which he says—I will not read the whole press message, but only the two points which strike me as most important. He says:

"The Afghan war which followed the rebellion in the Punjab might have been a great disaster, but for Dyer's action at Amritsar."

The inference is first that there was a great rebellion in the Punjab—we all know what it was; and secondly that there was an Afghan war, the

speedy termination of which was due to the action of General Dyer at Jallianwala Bagh. To connect the brutal murder of unarmed men and children with the advance of an attacking or invading army, was left to this gentleman. I am surprised that he did not go a little further and connect the civil war now going on in Afghanistan with the Congress Resolution on non-co-operation. (Laughter.) We find a very important fact in this message, and that is that General Dyer's explanation was gone over by Sir Malcolm Hailey and that he found only one word to be objectionable and that was the word "rebels" in regard to the Punjab. This writer does not spare Sir Malcolm Hailey for suggesting the omission of the word "rebel". He reaches the climax when he claims that "General Dyer was a humane man; he knew and loved the Indian people; he was loved by them (Laughter) both before and after Jallianwala" (Continued laughter.) We have since been celebrating the National Week which, as I have said before, begins on the 6th April, the day on which the Jallianwala atrocity was committed. And I am sure we are all celebrating it and shedding salt tears because General Dyer was dealt with unjustly, and not because of the brutal murder of the men and children who were on the spot! Sir, the National Week commences on the 6th of April. In 1920, the non-co-operation movement was started; in 1930, it is again announced to be started. Everything happens in regular cycles almost to a day, and it is quite apparent that there is some sort of fatality dogging this country, and also Great Britain. No lover of the country can contemplate lightheartedly the implications of the non-co-operation movement; and in this connection I must not forget to notice the bit of kindly advice given to us by the Honourable Sir George Schuster in his budget speech. He has no doubt meant well in addressing his appeal to us. He says: "India till now has had one priceless possession in her credit with the outside world". I should like Sir George Schuster to have been a little more precise. I think it would have been more accurate if he had said "the credit of her masters" instead of "her credit". I do not know what credit we Indians enjoy in any part of the world, except that we are being governed or misgoverned by England. Sir George proceeds: "I believe, for such reasons as I have tried to make clear today, that the economic advancement of the country depends on the political freedom, both within and without. Fears of political disturbance cannot but shake it, and to do this is to endanger the structure on which the material welfare of the millions of this country depends. I pray that this vital consideration may not be forgotten".

As I have said, Sir, it is an appeal which certainly is conceived in a kindly spirit, but let us examine and analyse it. What does it come to? Sir George Schuster is no doubt new to this country; but I am sure he knows the history of this country; I am sure he has carefully gone through the story of the British administration during the last 160 years and more. I am sure he knows what our political status is; and he must know that we have no rights and privileges. Our so-called rights are in the nature of favours which we can only enjoy during the pleasure of those who have granted those favours. They may be withdrawn and they have, as a matter of fact, been withdrawn on more occasions than one, with or without reason. A people reduced to these straits, do they care for their commercial credit in the world? And how can they have any credit? But whether that credit is shattered or they themselves are sent to rack and



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ruin, the people who are struggling for their freedom have to go ahead, march ahead, regardless of all consequences. (Applause.)

Now, Sir, we shall, of course, be told that we are unreasonable, and that, if we launch a dangerous movement, knowing fully what it means, we shall have to abide by the consequences. We shall further be told that it is the first duty of the Government to govern and take all such measures as are necessary to govern. My answer is that, if we are driven to resort to non-co-operation, we shall be ready to take all the consequences. As for the duty of the Government to govern, I fully agree; but there is another duty which the governed owe to themselves, and that is to secure a just Government for themselves on principles which are recognised all over the world as just and to spare no sacrifice, no suffering, however great, to achieve that end. (Loud and continued applause.)

**The Honourable Mr. J. Orerar** (Home Member): The Honourable and learned Pandit, who has just concluded his eloquent speech, has, I confess, some advantage over me; because not all the remarks that we have heard, in the course of his argument, were limited to a reference to the touring expenses of the Members of the Executive Council. Consequently, though we have all listened with the greatest attention to the Honourable Pandit's very careful and deliberate speech, I do rise on this occasion at some considerable disadvantage in that respect. The Honourable and learned Pandit opened his speech with a charming little metaphor, of a gardener and his tree, its blossom and its fruit. I understand the gravamen of his charge was that, year by year, the Treasury Benches had, with inconsiderate and not very tender hands, deliberately shattered that blossom in order to prevent it from reaching its fruition. Nevertheless, the Honourable and learned Pandit did admit that the tree on which that blossom grew still continued to flourish.

Now, Sir, may I be allowed to draw a reasonable inference myself from that? On what is it that that blossom grows? To what is it that the Honourable Pandit and his friends look for a fruit? Surely, Sir, it is the system of Government, the opportunities for Parliamentary debate and development which the existing constitution allows. (*An Honourable Member*: "Question.") It is only because that tree exists that, as the Honourable and learned Pandit himself has admitted, it still continues to produce blossom and to hold forth promise for the future. I say, Sir, that that represents the deliberate intention of Parliament in setting up the existing constitution of India. It represents the hopes which were then entertained by Parliament in taking that action, and it represents further the honest and consistent course of policy with regard to that Parliamentary pronouncement which members occupying these Benches have consistently endeavoured to follow.

**Pandit Motilal Nehru**: May I point out to the Government that it was the tree of discontent of which I spoke?

**The Honourable Mr. J. Orerar**: Well, Sir, parables, once recited, are open perhaps to more than one interpretation; and I submit to the judgment of the House whether the interpretation which I have ventured to put upon it has not got a good political and historical justification. Now, Sir,



I do not propose to follow the Honourable Pandit in his historical reminiscences, nor in his review, from his own point of view, of the general course of political events during the last 7 or 8 years. But once more, if I understood him correctly, the gravamen of his charge was that certain demands—what he called national demands—have been time and again repeated, reiterated in the same terms, reiterated with a body of almost completely unanimous opinion behind them, and that, out of sheer perversity and obstinacy, the Government of India have consistently refused to give any response. Now, Sir, I think the occasion when the Honourable and learned Pandit first voiced what he calls the national demand was the Resolution which he moved in 1925.

**Pandit Motilal Nehru: 1924.**

**The Honourable Mr J. Crerar:** I accept the correction, 1924. Well, Sir, on reading the debates of that period—I should like the House to understand that I am not endeavouring to be, in any way, a carping critic in these matters, but to give, as candidly and honestly as I can, the impression at that time which existed on this side of the House,—with regard to that Resolution moved by the Honourable and learned Pandit, I think that anyone reading the contemporary debates, must have been struck by one thing. That document appeared to be a very chameleonic document. It appeared to change its complexion according to its environment. At any rate, my own impression is this, that there was hardly an interpretation put upon it which did not receive a very different interpretation from another part of the House. (*Honourable Members:* "No, no.") And if that was so regarding opinion on Benches opposite, it may very well be, as I think may be reasonably admitted by some at least of the Honourable gentlemen opposite, that there was, at any rate, some room for difference of opinion on this side of the House as to what were its precise implications, and whether it was so completely endorsed by unanimous public opinion throughout the country.

Sir, I do not propose to follow the Honourable and learned Pandit in some of the concluding passages of his speech, because I do not wish to pursue or to emulate either the language or the argument he then employed. But I do think that the language he used in those passages of his speech was the language of passion and prejudice. I should have hoped, and I should have supposed, that, of the many sentiments which might possibly be entertained about the political position which now confronts the country and the Government,—I should have hoped that, in this Assembly at least, it would have been generally accepted that, whatever, and however diverse, particular individual opinions might be, we are confronted by a situation which we ought to endeavour, so far as in us lies, to deal with without passion and without prejudice. That, at any rate, is my present endeavour and will continue to be my endeavour.

Now, Sir, I said that I spoke at some disadvantage, because I had no indication whatever of the course of argument which the Honourable and learned Pandit was likely to adopt, and I have spoken with such slight degree of deliberation as the circumstances afforded me on the general course of the Honourable and learned gentleman's argument. The question which I understand is put to me—I do not know whether it was really put to me, but I assume from the circumstances and the form of the motion it is put to me—is, what is the attitude in these matters of the Government of India?

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Well, Sir, if the Honourable and learned Pandit, by that, implies an invitation to the Government of India to enter into all the great questions of controversy which are now distracting the country, I think that, on reflection, he will agree that that is not a very reasonable invitation.

**Pandit Motilal Nehru:** Not at all. I do not expect the Government of India to enter into controversial questions. My question was a plain and simple one. Are you, or are you not, prepared to concede full Dominion status to India, whatever differences there may be as to details.

**The Honourable Mr. J. Crerar:** Sir, I do not propose, as I said, to embark upon controversial questions, which may, or may not, be of a subsidiary character, though my reasons for doing so are somewhat different from those of the Honourable and learned Pandit himself. I do not propose to do so. But to the particular question which he puts to me I have a very plain and a very simple answer. It was given to this House, in words more eloquent and more significant than any which I can now employ, by His Excellency the Governor General. My answer is that the Government of India stand now, as they must continue to stand, on the Parliamentary declaration of 1917, and the consequences which flow from it, and that Parliament, having appointed a special authority, a special tribunal, to inquire into these grave matters, we can do no more than say we loyally adhere to, and will endeavour to carry out, in spirit and in letter, that pronouncement of Parliament, and that we must await the results of the Statutory Inquiry which is now proceeding.

Sir, I have spoken, as I say, without notice of the probable contents of the Honourable and learned gentleman's motion. He was good enough to say it was not part of his intention to deprive Honourable Members of their saloons or to make them trudge their weary way on the roads. In short he raised, from his own point of view, in his own manner, and using all the arguments which he conceived most favourable to his own position, a very wide controversy, which could not possibly be concluded, which could not possibly be even justly or fairly dealt with, in the limits open to me today. I have endeavoured to give a straight and plain answer to the particular question put to me and to the Government of India by the Honourable and learned Pandit. But, Sir, beyond that, I do venture to appeal once more to this House and to all who are concerned in the great matters of inquiry and controversy now pending, to enter on them with a very grave sense of their moment and their magnitude, and a recognition of the fact that these are questions which can only be solved by common-sense, by temper, by wisdom and by foresight. I trust, Sir, that it is in that spirit, that the country will pursue the further consideration of these great questions, and it is in that spirit, I trust, that this House will give its judgment on the motion now before it.

(Mr. M. K. Acharya rose in his seat.)

**Mr. President:** I understand the Honourable Member from Madras wants to move his amendment.

**Mr. M. K. Acharya** (South Arcot and Chingleput: Non-Muhammader Rural): If you will permit me, Sir.

**Mr. President:** I desire to point out to him that his amendment is out of order.

**Mian Mohammad Shah Nawaz** (West Central Punjab: Muhammadan): Sir, I desire to speak on the motion before the House. Sir, in January last, His Excellency the Governor General made a memorable speech, which may prove to be historic. It was a message full of promise and hope. His Excellency said that the declaration of 1917, which was given by Mr. Montagu on behalf of His Majesty's Government, stood for all time as the solemn pledge of the British people to assist India to attain "full national political stature," and that the pledge so given, will never be dishonoured. Sir, these are the words of a broad-minded and sympathetic English gentleman, who felt for his position as the representative of His Majesty the King-Emperor in India, and who felt for the honour of his country. Well, Sir, the controversy as to what is the meaning and scope of the word "self-government" is at an end now. I have no doubt in my mind that the British people are endeavouring honestly to give India Dominion status as soon as possible. The question is one of time, and the method by which Dominion status can be attained. Now, Sir, only a month ago, Earl Winterton, in the House of Commons made a very fine gesture. It is a gesture of a first-rate importance. He said that the representatives of the Indian Legislatures, whom the Joint Parliamentary Committee will call upon to confer, when the Statutory Commission has reported, need not be the same persons who are working on the Committees now sitting in conference with the Royal Commission. I say it is a very good gesture, and it is up to the leaders of the Parties in this House to elect a Committee, which should go to England and confer with the Joint Parliamentary Committee. That, in my humble opinion, would be called a sort of round table conference, which Congressmen desire to obtain. The constitutional position of Parliament is perfectly clear. Under the Government of India Act, Parliament is the only authority that can express its final judgment on the problem. But I am perfectly confident that the British Parliament and the English people cannot possibly ignore the united demand of the Indian people. They will do their best to meet the Indian people and give them Dominion status as quickly as possible, though not by a sudden and dangerous jump. That, I submit, is the only way by which a peaceful compromise and a peaceful settlement can be arrived at.

Now, my learned friend, the distinguished and able Leader of the Opposition, has said that the present Government is irresponsible; it is a vicious Government; indeed they have not given us anything in the past; they have broken their pledges and we should have nothing to do with them, and we are bent upon starting civil disobedience if Dominion status is not given to India by the end of this year. I submit that ultimatums of this kind will do no good. On the other hand, if the threat is at all carried into effect, it will create general unrest and will be harmful to the best interests of our country.

Now, Sir, I believe, and all good citizens of India do believe, and I trust all Parties in this House believe, that law and order must be maintained. Law and order are attributes of society and of civilization, and if we were to inculcate a spirit of defiance of authority, a spirit of lawlessness, we would be arousing feelings which would be beyond our control and we would be sowing the seeds of our own dissolution and disruption. I therefore submit, Sir, that an ultimatum of the kind which

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the Congress has delivered, and which my esteemed friend, Pandit Motilal Nehru, who is one of the best sons of India, has now delivered on the floor of this House, will do no good whatever. It may bring ruin. It is the negation of genuine democratic life and action. All Indians are united in saying that we must have Dominion status soon, and that the military policy of the Government of India should keep pace with the political reforms. My learned friend has drawn the attention of this House to the Nehru constitution. He does not want that it should be discussed, but as a matter of fact, he has presented that constitution to this House and he thinks that it is the constitution, as a whole, acceptable to all.

**Pandit Motilal Nehru:** On a point of personal explanation, Sir. I have not done that at all; I have not presented that constitution to this House, and I do not mean to present it either to this or to any other House.

**Mr. K. Ahmed:** Is the Nehru Report a united demand?

**Mian Mohammad Shah Nawaz:** Whatever you may say, and however you may look at it, the constitution is before the country . . . .

**Pandit Motilal Nehru:** Yes, that is so.

**Mian Mohammad Shah Nawaz:** As a matter of fact it is before this House, and before the Royal Commission, and it is no good saying that it is not a constitution on which you do not wish to stand. In point of fact, you do rely on it as a detailed constitution for the whole of India.

**Mr. President:** Order, order. The Honourable Member must address the Chair.

**Mian Mohammad Shah Nawaz:** Sir, the learned Leader of the Opposition clearly says that this is a constitution which is accepted by a large majority of the Indian people. I repudiate that proposition. I say this on the floor of this House, and I say it with all the emphasis at my command, that it is not acceptable to a vast majority of the Muslim population. I feel it is my painful duty that I must point out this patent fact.

**An Honourable Member:** The door is open.

**Mian Mohammad Shah Nawaz:** I must point it out very forcibly; it may not be liked . . .

**Mr. President:** Order, order. I do not know whether I should allow the Honourable Member to go into these matters, because the only question on which the Leader of the Opposition wants the vote of the House is the question of Dominion status. If I allow the discussion to travel to matters of detail, I think the debate would be unending.

**Mr. M. A. Jinnah** (Bombay City: Muhammadan Urban): May I rise to a point of order? I understood my friend Pandit Motilal Nehru to state that he wanted a vote on his motion on the simple ground that our demand is dominion responsible government, with such safeguards as may be agreed upon between the various communities.

**Mian Mohammad Shah Nawaz:** I am glad, Sir, my Honourable friend, Mr. Jinnah, has clarified his position. I go further and I say that no constitution of Dominion status would be acceptable to the Muslims unless and until their rights and interests are safeguarded.

**Mr. M. A. Jinnah:** I do not want to take any responsibility of this nature; I want to make the position clear . . .

**Mr. K. Ahmed:** I do not understand, Sir; I rise to a point of order. (*Cries of "Order, order."*) Sir, I do not understand the meaning of what the Honourable Pandit Motilal Nehru has said. He has been speaking for the country, and he has spoken . . .

**Mr. President:** Is the Honourable Member making a speech?

**Mr. K. Ahmed:** No, Sir; I am not making a speech. I am not speaking at all, Sir (*Laughter*), but Mr. Shah Nawaz is on his legs.

**Mian Mohammad Shah Nawaz:** I beg to submit, Sir, that any constitution under which the Muslim rights and interest are not safeguarded will not be acceptable to us, and I desire, Sir, with your permission, to point out what these rights and interests are. Firstly, having regard to the vast extent of India, and the administrative and geographical divisions that exist, there is no doubt that India demands a federal system of Government, with autonomous provinces with all the residuary powers, vested in them, and the powers of the Central Government should be clearly defined by the constitution. I say, if the Dominion status which my learned friend desires, is one under which the Central Government will dominate, as given in the Nehru constitution, over the provinces, it is not acceptable to the Mussulmans of this country. (*An Honourable Member:* "Nobody has said that.") Then, Sir, the next point is this, that the separate representation, by means of separate electorates of Muslims, to all the Legislatures, is the law of the land . . .

**Mr. President:** I am afraid I cannot allow the Honourable Member to discuss these questions on this motion.

**Mian Mohammad Shah Nawaz:** Very good, Sir; if I am ruled out, I cannot help it. All I say is that no constitution whatever, proposed, or desired by anyone, would be acceptable to us if the rights and interests of Mussulmans are not safeguarded. Those rights and interests are embodied in the Resolution recently passed by the Muslim Conference at Delhi. Well, Sir, the position is this. A Royal Commission is now touring in this country. Committees from several provinces are being co-opted to sit with the Royal Commission. The Royal Commission is going to make a Report, and the Central Committee of this House is also going to make its Report. Why should we not wait for their Report? When that Report is presented to Parliament, that will be the time for this House to discuss that Report as well as the Report of the Central Committee and to come to a conclusion what sort of Dominion status we want. It is no use saying that we want Dominion Status by the end of this year; it is all premature. Does it not savour of impatience and intolerance which, in my humble opinion, shows a lack of statesmanship? Statesmanship demands that, for the time

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being, we must have patience. No doubt, you may agitate for the Dominion status with all the force at your command, but agitate constitutionally, and I am perfectly certain, Sir, that ultimately, we will succeed. Above all, put your own house in order. Let the Hindus and Muslims settle their differences, which are serious. In my humble opinion, the issue raised by the learned Pandit is altogether premature and should not be accepted.

**Mr. M. K. Acharya:** Sir, I wish to speak . . .

**Mr. President:** I have ruled his amendment out of order.

**Mr. M. K. Acharya:** I want to speak on the motion, Sir.

**Mr. President:** The Honourable Member may do so.

**Mr. M. K. Acharya:** Sir, The Congress lion has roared; let the country lamb bleat plaintively. Sir, I yield to none in my desire to secure for my country the highest and most honourable place she can, among the nations of the world, and I yield to none in feeling keenly that the national demand—using that term in a general sense—has not been adequately responded to by those to whom that demand has been addressed. The national demand is, in my humble opinion, not for contemptible Dominion status; the national demand has been for Swaraj, pure and simple, and it is for those, who are going really to fight for Swaraj, to put before the world the highest Swaraj ideal, and to point out the ways and means by which that Swaraj ideal is to be reached. Therefore, to me, Sir, if I have any ambition to be a humble worker in the cause of the country, the demand will not be simply for Dominion status (Laughter). It is for something higher; and that higher ideal, my great hero, who is now dead, the late Mr. C. R. Das, formulated in thundering voice at the Gaya Congress in 1922. Sir, the memories of some of my friends may be short. They may have forgotten what the late Mr. Das said on that occasion. I have treasured his words in my heart; and I believe they deserve the most careful consideration of anybody who is at all seriously interested in the constitutional development of India. And, so, Sir, I feel tempted to repeat at least one or two sentences, from that memorable and epoch-making speech which the late Mr. Das delivered in December 1922. This is what he said:

"If today the British Parliament grants provincial autonomy in the provinces with responsibility in the Central Government,"

which I believe is all that the Nehru Report asks for.

"I for one will protest against it, because that will inevitably lead to the concentration of power in the hands of the middle classes. I do not believe that the middle class will then part with their power."

He has said that a Parliamentary Government—and I agree word for word with what Mr. Das has said, than whom no saner statesman has lived in India during the past ten years—that Parliamentary Government, such as is usually understood by the term Dominion status, is not necessarily "a government by the people for the people." It results from a class movement to secure more power into the hands of the middle classes—something like what happened in England. In the old days the middle classes in England wrested political power from the autocracy of the Sovereign, and

those middle classes, even today, are retaining it, and not sharing it with the people. And therefore the late Mr. Das declared himself against it. I wish that Mr. Das were here today; but though he has gone, his words remain, and I am sure that, at some future time, whether history repeats itself or not, according to the forecast of Pandit Motilal Nehru, whether the events of 1917 were repeated in 1927 or not, whether the events of 1919 are being repeated in 1929 or not, and whether or not the year 1930 will see again the fruitless triple boycotts of 1920, I am sure, Sir, that the movement for true Swaraj is going to continue; and he will be no true Indian who does not join the great fight for Swaraj in the fullest sense of the term.

Sir, my great difficulty today in supporting the motion which the Honourable and learned Pandit has moved is this.

**An Honourable Member:** Did you not support it last year?

**Mr. M. K. Acharya:** I have become wiser now (Laughter). Where are the foundations of Dominion status? Where are the foundations for Swaraj? We have been sleeping away all the while. We, the national workers, have not been doing our duty, all these years. We have not prepared the country; we have not built the village organizations; we have not organized our people; we have not put into their hands the power that is truly theirs. We have been shouting in the name of the people without organising them. And what is this Nehru Committee's Report? Drawn up in haste by half a dozen people for the consumption of the Simon Commission! They have fallen into the trap set by British statesmen, who said: "Produce a constitution which is first acceptable to yourselves." In falling victims to that temptation, they hastily compared a few of the constitutions of other countries, as they themselves admit in their Report. I have got the Report before me, but I am not going to read anything from it, as you may rule it out of order. I have carefully read, re-read, marked, and digested every word in that Report. The Committee themselves admit that the constitutions of a few countries, as of Great Britain, Canada, Australia and a few others, have been pieced together; and so the constitutional status demanded for India is that of a Commonwealth of India. But where are the foundations on which they try to build, I ask?

Here I wish to enter my strong protest, Sir, against what the Honourable Mr. Crerar has said, that the Government have faithfully been following—I hope I have taken him correctly—they have been loyally adhering to the announcement of 1917. Sir, it has often been my wonder whether the Government of India have correctly understood the implications of the announcement of 1917, which said that the policy of the Government of India was to be the development of self-governing institutions, with a view to the progressive realisation of responsible government in British India. There were no representative institutions in India before 1917; and there are none today in any sphere of political life, in any sphere of administration. There are no self-governing institutions anywhere, whether in the village, or in the district, or in the province, or anywhere else, out of which the progressive realisation of responsible Government could come at any time. I cannot, Sir, within the few minutes at my disposal, enter into the constitutional history of the past. In 1917, 1918, and 1919 the Montagu-Chelmsford Reforms were drawn up; they wanted simply to go one step further from where the constitutional development was left by,

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the Morley-Minto Reforms of 1909; and they did take just one step further. Although the Montagu-Chelmsford Report said that the announcement of 1917 marked the end of one epoch, namely, of absolute government in India, and the beginning of another epoch, namely, of responsible government, yet, in reality, it did not mark the end of absolute government, or the beginning of responsible government either. Therefore, I contend that that Parliamentary announcement does not carry us far; perhaps it was uttered by people who did not comprehend the full significance of the announcement they were making. But, taking the announcement, and understanding it in its fullest connotation, my contention on the floor of this House is, that the Government, whether in England or in India, have not been faithfully, loyally, liberally and enthusiastically trying to give effect to the announcement of 1917. The Morley-Minto Reforms were conceived as a temporary makeshift—not that I blame Lords Morley and Minto for it—and the Montagu-Chelmsford Reforms were only one step further in the same direction, and here we are today, in the course perhaps of making another makeshift. Therefore I say that the foundations of responsible government, the foundations of Dominion status, or the foundations of Swaraj have not been laid in India, either by the Government—and I can well understand why they need not be very much interested in laying those foundations,—nor have they been laid by us who ought to have been much more serious. And, Sir, till those foundations are laid, it is idle to say: “Here is my scheme; put that scheme into effect tomorrow; give me on 31st December, 1929, Dominion status and on 1st January, 1930, adult suffrage; and let all the 120 million adults of India come to the polls early in 1930.” Sir, I conceive nothing can take us farther away from the best interests of the country. And I, for one, love my country more than I love the Congress, and that is why I am emboldened to speak here—(inaudible interruptions)—I know I have been falsely branded as a traitor . . . . .

**Mr. President:** Order, order. I cannot allow the Honourable Member to go into these personal recriminations. Whatever may be his differences with the Congress Party, the House is not interested in them.

**Mr. M. K. Acharya:** Thank you, Sir. I certainly think it is not worth while to refer to them. Sir, my duty and the duty of every true patriot of India is to lay the foundations deep. Government have failed, they are not interested to lay them; but it is our duty. We have not yet laid the foundations. And I say, while many a lion may roar,—the Congress lion has roared, lions in other places, from other regions and other zones may also roar,—we, the country lambs have to bleat and bleat. The lion roars for more prey; the country lamb bleats for more green pasture, for more of God's rain, for more of God's sunlight and grace in the wide world. There, among those lambs, Sir, is the foundation wanted for Swaraj, where people can have the power to manage their own affairs. I wish that both the Government, on this side, and the would-be Government that is being evolved there (pointing to the Congress Party benches) would very carefully go through the scheme propounded by Mr. C. R. Das in 1922, where he points out how gradual, true, full, real Swaraj can be evolved in India only by basing it on “the practical autonomy” of rural and urban areas, how Dominion status is not worth fighting for, because it will enthrone in India only a brown bureaucracy in the place of the white bureaucracy that



now rules India. Therefore, Sir, I am afraid, I must repeat what the great Das said on that occasion:

"How will it profit India if, in place—".

(At this stage Mr. B. Das rose in his seat.)

I beg your pardon. Not my friend here, Mr. B. Das, but the late Mr. C. R. Das said: "How will it profit India if, in place" . . . .

**Mr. K. Ahmed:** Do you want to get into the shoes of Mr. C. R. Das? (Referring to Mr. B. Das).

**Mr. M. K. Acharya:** Mr. C. R. Das said:

"How will it profit India if, in place of the white bureaucracy that now rules over her, there is substituted an Indian bureaucracy of the middle classes?"

Such substitution alone will result from Dominion status in December 1929. (*Some Honourable Members:* "No, no.") No number of "Noes" and "noes" can make two and two thirty-four. I prefer to walk in the footsteps of Mr. Das. I think it better to err, with Mr. Das, if need be, than to shine with any of the great lights of today. This, Sir, is my humble contention. I may be wrong, but if I err, I err with the greatest patriot, the late Deshbandhu, than whom, in my humble experience, I have not come across a greater patriot or saner statesman. Therefore, Sir, I am unable to vote for this motion without qualification. (*Ironical cries of "Hear, hear" from Congress and Nationalist Benches.*)

**Mr. President:** Order, order.

**Mr. M. K. Acharya:** Not that I do not want Dominion status, but that I want something higher, worthier than Dominion status. I want the foundations of Swaraj to be laid truly, purposefully and steadily. I feel that the acceptance of the Nehru Report, or the establishment of Dominion status at the end of this year, will stand in the way, will form an obstacle; that it will not give us the initiative for laying those foundations wherein the people will have power to administer their every day interests through their elected representatives. We want Swaraj, or government of the people by the people. The Government of middle-class bodies we do not want. No bureaucratic Government do we want, whether its personnel be white or brown. We want political power for the masses, and Dominion status, even if it were achieved tomorrow, will not give them that power. The people of India have no power now; there is no self-government anywhere today in India, in any sphere whatsoever. For example, the appointment of chowkidars in Bengal villages was hotly debated two years ago; even that could not be given to the peoples' representatives. The district autocrats alone can appoint those men. In my own Presidency we do not have enough self-government in our villages even to put up our broken tank bunds; we must wait with resignation till the irrigation overseer or other departmental officer is pleased to move in the matter. We have not looked into these things. For ten years we have been loudly talking of village organisation. May I ask those who now say, "Tomorrow we want Dominion status" how many thousand villages they have organised, how much of village autonomy has been brought about in the last few years? That is my difficulty. I want something more (*An Honourable Member:* "We know what you want.") than Dominion status, something true, something real. Unfortunately I love my country too deeply to

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approve of a form of Government fashioned on de-national lines. I do not want to convert India into a third-rate Canada, or a fifth-rate Australia. I want India to be India. I wish India to show the light of true Swarnj to the world in the future as she did in the past. I do claim that I have some little understanding of the past history of this country. I have tried to read her history aright. I am trying, if possible,—I do not mind whether I am believed or not,—but I am trying my best to pray to God to give me a vision of the India of the future. Therefore, my difficulty is this. The Government of India have not scrupulously followed the announcement of 1917 with regard to the development of self-governing institutions. They say it is a provincial subject, part of dyarchy, and things of that kind, if we demand self-government for the villages; but where is the principle of self-government functioning anywhere in the Government of India under the constitution we are supposed to be working? Do the provinces have self-government? No. Have we self-government in the districts? No. I asked a question, on the floor of this House, as to how many really self-governing village *panchayats* or institutions of that nature there were, and whether there had been any general policy or scheme outlined by the Government of India. The answer was that it was all contained in some Resolution passed in 1915 or 1918, before the Government of India Act came into force. I am told the Government of India, under the latest Act, is quite powerless. The Government of India cannot lay down what should be done in the provinces; and the Provincial Governments, under the present wonderful reforms, are so engrossed with getting on somehow with their ministries, that nobody thinks of the people. The Government of India is quite powerless. This is the position today. It is not that I do not want Dominion status, but that I want something more, something real, something good, something useful—wherein people will have a real voice in the management of their own affairs. I dread the Government of a few middle class men in the name of the people at large. Therefore, I bring in the general charge that Government have not been carrying out seriously, liberally, the announcement of 1917 . . . .

**Mr. President:** The Honourable Member is repeating himself.

**Mr. M. K. Acharya:** I shall finish now, Sir. And for that reason I join in the censure, not for the Pandit's reason, that we want Dominion status on the 31st December, 1929.

**Sir Darcy Lindsay:** Sir, I shall be very brief. I listened . . . .

**Mr. President:** In your own interest!

**Sir Darcy Lindsay:** I listened with great interest to my Honourable friend the Pandit's statement as to what has happened since 1924, and at the conclusion, Sir, a doubt crossed my mind as to whether the Honourable Pandit was quite playing the game by the Home Member and the Executive Council. He, in so many words, presented a pistol at their heads and said, "By this cut you shall be made to walk for the rest of the year, unless you declare that we are going to have Dominion status by the end of 1929". I think he even went further and said that the Dominion status was to be on the basis of what is known as the Nehru Report. Now, Sir, my Honourable friend the Pandit knows very well, as the House knows, that the Honourable the Home Member could not give him any

such declaration. I think it is admitted on all hands that the last word in this matter rests with the British Parliament—like it or not. The say is with the British Parliament and therefore the Honourable the Home Member could not make a declaration.

**Mr. S. Srinivasa Iyengar** (Madras City: Non-Muhammadan Urban): For the present.

**Sir Darcy Lindsay**: Admitting, as I think we all must admit, that the final say is with the British Government . . . .

**Mr. S. Srinivasa Iyengar**: For the moment only.

**Sir Darcy Lindsay**: Now, the British Parliament have set up the Simon Commission—rightly or wrongly it is not for me to say.

**An Honourable Member**: Quite wrongly.

**Sir Darcy Lindsay**: Opinions are divergent on that point, but nevertheless they have set up a Commission. Is it reasonable to ask the British Government to throw overboard the Commission before the Commission have completed their labours, simply because my Honourable friend the Pandit and his Party say they must have Dominion status by the end of 1929?

**An Honourable Member**: The whole of India.

**Sir Darcy Lindsay**: I think it is only fair to the British Parliament to await the report of the Committee which they have set up. If the report is not acceptable to my Honourable friend, then let him by all means come forward with such declarations as have been made this afternoon. I very much deplore the Resolution that was passed by the Congress at their meeting in Calcutta that, unless such and such a thing happens by the end of 1929, the country will be plunged into a course of non-cooperation. Again I say that is not playing the game by the British Parliament.

**An Honourable Member**: Do they play the game by us?

**Sir Darcy Lindsay**: Putting aside the Executive Council or the supporters of the Executive Council, we must respect the views of the members of the British Parliament who will have the final say. On these grounds, Sir, I regret that, neither I, nor my Party can support the amendment.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 12th March, 1929.