

Saturday, 18th February, 1933

THE  
COUNCIL OF STATE DEBATES

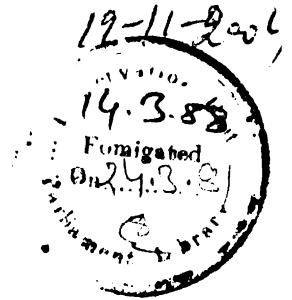
VOLUME I, 1933

*(16th February to 15th April, 1933)*

FIFTH SESSION

OF THE

THIRD COUNCIL OF STATE, 1933



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1933.

# Council of State.

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THE HONOURABLE SIR DAVID DEVADOSS, KT.

THE HONOURABLE MR. SATYENDRA CHANDRA GHOSH MAULIK.

} *Members.*

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# COUNCIL OF STATE.

*Saturday, 18th February, 1933.*

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

## QUESTIONS AND ANSWERS.

### FUTURE SCALES OF SALARIES AND ALLOWANCES FOR THE SUPERIOR SERVICES. •

19. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government kindly state whether they have now arrived at a decision as regards scales of salaries and allowances for new entrants to superior services ? If so, what is this decision in detail ? If not, when is such decision likely to be arrived at ?

THE HONOURABLE MR. J. B. TAYLOR : The matter is still under the active consideration of Government. The new scales will be at reduced rates, and it is hoped that the final decision will be arrived at shortly.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will the final decision be arrived at before the end of the Council session and before the new financial year begins ?

THE HONOURABLE MR. J. B. TAYLOR : I do not think so, Sir. I do not see any possibility of it.

### VOLUNTARY REFUND OF COACHING AND GOODS FREIGHT OVERCHARGED BY STATE RAILWAYS.

20. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government kindly state whether it is a fact that the voluntary refund of coaching and goods freight overcharged by Indian State Railways has recently been stopped ? If so, will Government please give detailed information on this matter and also give reasons which justified this action and also state the total amount of yearly saving the Railways expect therefrom ?

THE HONOURABLE SIR GUTHRIE RUSSELL : The practice of exhibiting at stations lists of overcharges detected in Audit Offices was discontinued some time ago on the ground that it involved a considerable amount of work in Accounts Offices and the system was open to abuse and fraud. The whole question is now under re-consideration.

### EXTENSION OF THE LIVES OF THE LEGISLATURES.

21. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government kindly state whether the Provincial and Central Legislatures when their present terms expire will be given an extension till the new constitution comes into force ? If not, will there be new elections under the present constitution ?

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN : The power to extend the lives of the Central and Provincial Legislatures, if in special circumstances they so think fit, is vested in the Governor General and Governors of Provinces. Government are not in a position to make any statement, except that the matter is now under consideration and the decisions will be announced as soon as possible.

## TELEGRAPH POLES.

22. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : (a) Will Government kindly state the total number of iron or steel poles used by the Indian Telegraph Department to carry the telegraph or telephone wires and also state their cost ?

(b) What is the number of such poles used mainly for Railways ?

(c) How many such poles and of what value were used for additions or renewals every year from 1920 to 1932 ?

(d) Are wooden poles used instead of iron or steel ? If so, in what proportion and what percentage of cost do these bear in proportion to iron or steel poles ?

(e) Have Government at any time considered the possibility and desirability of using wooden poles instead ? If so, with what result ?

(f) Are there any areas in British India where wooden poles are in use ? If so, where and what is the number ?

(g) Is it a fact that in Mysore State and Kashmir State a large number of wooden poles are used for this purpose and what is their number ?

(h) Is there any difficulty in using wooden poles throughout India and Burma ? If so, what ? Cannot such difficulty, if any, be overcome ? Is there any country in Europe or British Isles (Great Britain) where wooden poles are not used for this purpose ? If so, which ?

THE HONOURABLE MR. J. A. SHILLIDY : The compilation of the information would involve labour and expenditure out of all proportion to the value of the information supplied. It is however the case that iron posts are in much more general use than wooden posts for the following reasons :

- (1) Iron posts are far more durable than wooden posts and are less subject to deterioration due to climatic conditions.
- (2) Recurring charges for replacement and maintenance of wooden posts are far greater than in the case of iron posts.
- (3) Except in certain localities the freight and carriage of wooden posts would be far heavier than those of iron posts which are specially designed for easy transport.

The possibility and desirability of using wooden posts have been considered from time to time and it has been found economical to use wooden posts only on light telegraph lines in places where suitable timber is available locally, such as Kashmir.

## SLEEPERS PURCHASED BY STATE RAILWAYS.

23. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government kindly state the number and total value of (i) broad gauge, (ii) metre gauge, (iii) narrow gauge railway sleepers (a) of timber, (b) of metal purchased yearly by State Railways in India since 1919 and what is the price and average life of each kind of sleeper ?

THE HONOURABLE SIR GUTHRIE RUSSELL : I lay on the table a statement containing such information as is readily available covering the last five years. I regret information for earlier years cannot be compiled without an undue expenditure of time and labour.



Statement showing the number and value of timber and metal sleepers purchased by Class I Railways (excluding Burma) during period 1927-28 to 1931-32, the prices per sleeper in recent contracts and the estimated average life.

Year.	Timber sleepers.						Metal sleepers.						
	Number purchased.			Total value (in lakhs of Rs.).	Price per sleeper in recent contracts.		Estimated average life.	N. paid for	Total value (in lakhs of Rs.).	Price per sleeper in recent contracts	Estimated average life.		
	B. G. (in lakhs.)	M. G.	N. G.		B. G.	M. G.						N. G.	
													B. G.
1927-28	28.08	15.14	*1.39	+281.82				*32.82	*7.27	+259.89	B. G.	M. G.	30 to 35 years, but this is a conservative estimate and some metal sleepers may last as long as 50 years.
1928-29	21.74	14.20	*.83	+266.89				*19.35	*5.47	+202.11			Rs. 7-14-0 per steel sleeper.
1929-30	22.20	15.43	1.30	+237.41			Rs. 1-7-0.	*16.63	*1.47	+105.02			Rs. 7-3-0 to Rs. 7-10-0 for C. I. sleepers and
1930-31	14.87	11.47	1.31	+174.65			Rs. 2-4-0 to Rs. 3-8-0 according to species.	*4.69	*.14	+33.99			Rs. 4-52 to Rs. 4-65 in 1930-31.
1931-32	21.23	11.17	1.30	+159.48			Rs. 3-2-0 to Rs. 5-14-0 according to species.	*9.31	..	+63.47			

\* These figures indicate the number of sleepers paid for by Class I Railways (except Jodhpur and Nizam's State Railways).

These amounts indicate the value of sleepers purchased by Class I Railways (except Jodhpur and Nizam's State Railways).

## INDIAN COTTON TEXTILE INDUSTRY.

24. **THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS :** Will Government kindly state what action they propose to take to save the Indian cotton textile industry from disaster as a result of heavy dumping from Japan ? If no action is proposed, why ?

**THE HONOURABLE MR. J. C. B. DRAKE :** The attention of the Honourable Member is invited to the Government of India, Department of Commerce, Resolution No. 341-T. (34), dated the 30th August, 1932, and the Notification bearing the same number and date, both of which were published on that date in a Gazette of India Extraordinary. Since then the Government of India have received the Tariff Board's report on the question of the continuance of protection to the cotton textile industry and this report is under consideration.

## PUBLIC SERVICE COMMISSION.

25. **THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS :** Will Government be pleased to state the number of occasions on which they have accepted the minority as opposed to the majority view of the Public Service Commission on a question referred to the Commission ?

**THE HONOURABLE MR. M. G. HALLETT :** The information is not readily available and I regret I cannot undertake to collect it. I would state, however, that within the Commission the decision of the majority prevails, though it is open to any Member to write a note of dissent which may be forwarded to the Government of India at the discretion of the Chairman. In regard to the acceptance by the Government of India of the advice tendered by the Public Service Commission a convention exists that in regard to certain classes of cases their advice should be accepted save in exceptional circumstances. It is the desire and the practice of the Government of India that departures from the convention should be as few as possible and it is only in very rare cases that they have departed from it.

## FUNCTIONS OF THE SUGAR COMMITTEE.

26. **THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE :** (a) Will Government be pleased to state what are the functions of the Sugar Board maintained by the Government of India and who are the members thereof ?

(b) Are the members honorary or do they draw salary ? If they are stipendiary, will Government be pleased to state what are their individual salaries per month ?

**THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN :** (a) No Sugar Board is maintained by the Government of India. If the Honourable Member is referring to the Sugar Committee appointed by the Imperial Council of Agricultural Research, I may state that its functions briefly are (i) to advise as to the steps which should be taken to assist the Indian sugar industry ; and (ii) to examine and advise on such schemes of research for the improvement of sugarcane cultivation and the manufacture of sugar in India as may be received by the Council and to suggest directions in which such research should be undertaken. A list of the members of the Committee has been placed on the table of the House.

(b) The members are all honorary.

*List of the members of the Sugar Committee appointed by the Imperial Council of Agricultural Research.*

1. Diwan Bahadur Sir T. Vijayaraghavacharya, K.B.E., Vice-Chairman, Imperial Council of Agricultural Research, *Chairman*.
2. The Agricultural Export Adviser to the Imperial Council of Agricultural Research.
3. Chowdhry Mukhtar Singh, Pleader, Meerut City.
4. R. G. Allan, Esq., I. A. S., Director of Agriculture, United Provinces.
5. Walchand Hirachand, Esq., Phoenix Building, Ballard Estate, Fort, Bombay.
6. Khan Bahadur Fateh-ud-Din, B.A., M.R.A.S.(E.), A.R.H.S., I.A.S., Deputy Director of Agriculture, Jullundur Circle, Jullundur City.
7. D. R. Sethi, Esq., Director of Agriculture, Bihar and Orissa.
8. Dr. W. McRae, M.A., D.Sc., Director, Imperial Institute of Agricultural Research, Pusa.
9. M. R. Ry. Rao Bahadur T. S. Venkataraman, Avl., B.A., I.A.S., Government Sugarcane Expert, Imperial Sugarcane Breeding Station, Lawley Road P. O., via Coimbatore.
10. Lala Har Sahai Gupta, Zamindar of Bilari, Bilari P.O., District Moradabad, United Provinces.
11. Sardar Bahadur Sir Sundar Singh Majithia, K.C.I.E., Zamindar, Punjab, Majithia House, Albert Road, Amritsar.
12. S. V. Ramamurty, Esq., I.C.S., Director of Agriculture, Madras Presidency.

(Rai Sahib Malik Charan Das, *Secretary*.)

*Co-opted members.*

13. Noel Deerr, Esq., Begg, Sutherland and Co., Cawnpore.
14. F. A. Sherwani, Esq., Maharajganj Sugar Co., Ltd., Maharajganj, District Saran.
15. Haji Abdoela Haroon, M. L. A., Napier Road, Karachi.
16. J. F. Millar, Esq., The Belapur Co., Ltd., P. O. Harigaon, District Ahmednagar.
17. Sarangdhar Das, Esq., Dhenkanal Estate, P. O. Dhenkanal (Orissa).
18. Khan Bahadur Sayid Muhammad Hadi, Director of Agriculture, Bhopal.
19. Lala Hari Raj Swarup, M. L. A., Rais, Rambagh, Muzaffarnagar (United Provinces).

**SUGAR TECHNOLOGIST, CAWNPORE.**

**27. THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE:** Will Government be pleased to state if it is a fact that there is a Sugar Technologist of the Government of India at Cawnpore on a monthly salary of Rs. 2,000 (two thousand) ?

(a) What is his name and what are his qualifications ?

(b) Has he any special research work on sugar or sugarcane to his credit ?

(c) Is he being paid from the funds of the Imperial Council of Agricultural Research ?

(d) Has he submitted any report of the total yield of Indian sugar in 1932 to Government ?

(e) Will Government be pleased to state what is the amount of sugar produced in India by purely Indian factories and what is the amount of sugar produced in factories in India managed by Europeans ?

(f) What is the amount of sugar imported to India in 1932 ?

(g) Has there been a better and larger output of Indian sugar since the protection given to the sugar industry in 1932 ?

**THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN :** The Sugar Technologist of the Government of India at Cawnpore is drawing a pay of Rs. 1,800 per mensem.

(a) Mr. R. C. Srivastava. He holds the degree of Bachelor of Science and was trained in Sugar Chemistry and Engineering in England. He was engaged in the sugar industry in India from 1916 to 1928, latterly as Manager and Director of a large up-to-date factory. During that period he designed, erected and operated factories. From 1928 he was Deputy Director of Industries, United Provinces, and was closely associated with the sugar section of the Harcourt Butler Technological Institute.

(b) Yes. He has carried out experimental work in the designing of sugar machinery suitable for Indian conditions.

(c) Yes.

(d) Not yet. The 1932-33 season is still in progress.

(e) This information is not available.

(f) Approximately 418,000 tons.

(g) Yes ; preliminary reports indicate that there has been a substantial increase in the production of sugar in India during 1932-33 but complete figures are not yet available as the season is still in progress.

#### SUGARCANE TESTING AT MANIPUR AGRICULTURAL FARM, DACCA.

**28. THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE :** 1. Is sugarcane testing done at Manipur Agricultural Farm, Dacca, at the instance of the Imperial Council of Agricultural Research by the Agricultural Chemist of Dacca ? If so, will Government be pleased to lay on the table the report or reports so far received by them from him ?

2. Do the Imperial Council of Agricultural Research give any grant to the Manipur Agricultural Farm, Dacca, for sugarcane testing and for research work on *cattle-fodder* in Bengal ? If so, what is the total amount of the grant ?

**THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN :** 1. Yes. No report on the results of the tests is expected until the completion of the present sugarcane crushing season.

2. In 1931-32 the Imperial Council of Agricultural Research sanctioned (i) a grant of Rs. 13,050 for sugarcane seedling testing station, and (ii) a grant of Rs. 48,590 for the appointment of a Physiological Chemist to study animal nutrition at Dacca.

#### CONDITION OF CATTLE AND QUALITY OF CATTLE-FODDER IN BENGAL.

**29 THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE :** (a) Do Government keep themselves informed of the condition of cattle in Bengal ? If so, will they make a statement on the condition of cattle and their fodder in Bengal ?

(b) Has the Agricultural Chemist or the Economic Botanist of Manipur Agricultural Farm submitted any report of his work on cattle-fodder in Bengal ? If so, will Government be pleased to lay on the table his report or make a statement thereon ?

**THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN :** (a) and (b). The question of the condition of cattle and the quality of fodder in any particular province is primarily the concern of the Local Government. The Imperial Council of Agricultural Research made a grant of Rs. 48,590 spread over five years for the appointment of a Physiological Chemist under the direct control of the Agricultural Chemist, Bengal, to study animal nutrition problems at Dacca. The work started on the 2nd January, 1932 and a copy of the first report which has been received has been placed in the Library of the House.

**GRANTS OF IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH TO PROVINCES FOR RESEARCH WORK.**

**30. THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE :**

(a) Will Government be pleased to state if the Imperial Council of Agricultural Research give grants to all the provinces of India? If so, what are the respective quota?

(b) Will Government be pleased to make a statement on the different kinds of research work that are being done by the scientific experts in all the provinces of India except what is done at Manipur Agricultural Farm, Dacca?

(c) Do Government receive reports of the results of research work from all the provinces? If so, will Government be pleased to state the results of this research work, province by province?

(d) If Government do not receive reports of the results of research work from the provinces will they kindly state why they do not call for them?

**THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN :** (a) The Imperial Council of Agricultural Research makes grants for the carrying out of schemes of agricultural, veterinary and animal husbandry research on problems of all-India importance, to central as well as provincial institutions. No grants are made on the basis of a provincial quota. In making these grants the primary consideration is where a particular scientific investigation can most effectively be carried out.

(b) Presumably the Honourable Member desires information in regard to the schemes financed by the Imperial Council of Agricultural Research. A copy of the report of the Council for 1931-32 is placed in the Library of the House together with a statement of schemes which have since been sanctioned and for which funds have been allotted by the Council.

(c) Yes. Each Provincial Government publishes annually reports on the research work of its agricultural and veterinary departments. The Imperial Institute of Agricultural Research, Pusa, and the Imperial Institute of Veterinary Research, Muktesar, also issue annual reports on the research work of the year. These reports are summarised and results reviewed in the "Review of Agricultural Operations in India," which is now a biennial publication. The latest number of this review is in the press and a copy will be placed in the Library of the House in due course. For a brief summary of the results achieved by the various departments of agriculture I would invite the Honourable Member's attention to pages 170 to 216 of "India in 1930-31," a copy of which is available in the Library of the House.

(d) Does not arise.

### FUNCTIONS OF THE EMPIRE MARKETING BOARD OF ENGLAND IN INDIA.

**31. THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE :** (a) Will Government be pleased to state the functions of the Empire Marketing Board of England in India ?

(b) What is the connection of the Government of India with the Empire Marketing Board of England ?

(c) Does the Empire Marketing Board of England receive any facilities from the Government of India ?

(d) Is there any local Board in Bengal of the Empire Marketing Board of England ?

**THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN :** (a) The Empire Marketing Board was established with the object of encouraging and developing the greater use of British Empire products in the United Kingdom. This object has been achieved by means of propaganda, publication of market and other economic information, and promotion of scientific research on such natural products as are supplied or could be supplied by the Empire. A copy of the Board's report for the period May, 1931 to May, 1932 is available in the Library of the House. The Board undertakes no operations in India but has made grants for agricultural research in this country from the Empire Marketing Fund which has been established by His Majesty's Government. These grants have been made through the Imperial Council of Agricultural Research.

(b) The Government of India is represented on the Board by Mr. Lindsay (Indian Trade Commissioner in London), who is also a member of the Board's Research Grants Committee, Publicity Committee and Agricultural Economics Committee. The Imperial Council of Agricultural Research is an official correspondent of the Board and undertakes the dissemination in India of information received from the Board.

(c) The Imperial Council of Agricultural Research and the Indian Trade Commissioner furnish the Board with all available information relating to Indian natural products which are likely to find a market in the United Kingdom. The whole cost of the Board is borne by His Majesty's Government.

(d) No.

### RESEARCH WORK ON RICE CULTIVATION IN BENGAL.

**32. THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE :** (a) Is there any research work being carried on on better rice-breeding in Bengal? If so, at whose instance and who are financing the cost of such work?

(b) Has the Imperial Council of Agricultural Research given any money for this purpose? If so, what is the total amount?

(c) Have Government received any report from the scientist who is engaged in the research work for better rice-breeding in Bengal? If so, will they be pleased to make a statement on it or lay on the table the report of that scientific expert?

**THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN :** (a) and (b). The Economic Botanist to the Government of Bengal has been engaged largely on research on rice for the last 25 years. At the instance of the

Government of Bengal, the Imperial Council of Agricultural Research has agreed to make a contribution of Rs. 78,161 (spread over five years) to a further scheme of research and has obtained an additional grant of equal amount from the Empire Marketing Board, England, thus making a total of Rs. 1,56,322.

(c) The research work was started in April, 1932 and as only annual reports are required by the Council no report has yet been received. Particulars of the scheme will be found in paragraph 8 and Appendix V of the Report of the Imperial Council of Agricultural Research for 1929-30, and 1930-31, a copy of which is available in the Library of the House.

**AIMS AND OBJECTS OF THE EMPIRE MARKETING BOARD OF ENGLAND IN INDIA.**

**33. THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE :** Will Government be pleased to state what are the aims and objects of the Empire Marketing Board of England in India ?

**THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN :** I would refer the Honourable Member to the reply just given by me to part (a) of his question No. 31.

**AGRICULTURAL RESEARCH INSTITUTE, PUSA.**

**34. THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE :** (a) Will Government be pleased to state the annual cost of maintaining the Agricultural Research Institute at Pusa ?

(b) What is the strength of the staff and what amount is being spent for the salaries of the members of the staff ?

(c) Will Government be pleased to state the salaries drawn by individual members of the staff ?

(d) Who on the staff are on the permanent cadre and who are on the officiating list ?

(e) Will Government be pleased to state when the vacancies in the said Institute will be permanently filled up ?

(f) Will Government be pleased to state if the post of Physical Chemist of the said Institute is vacant ?

(g) If so, will Government be pleased to state when it will be filled up ?

(h) Was there any suitable candidate for the post holding the degree of Doctorate of the University of London ? If so, why was he not taken in ?

(i) Will Government be pleased to state if research work on soil is being at present done at the said Institute ? If not, why not ?

**THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN :** (a) A provision of Rs. 9,71,500 was made for the maintenance of the Pusa Institute and its sub-stations in the budget for 1932-33.

(b), (c) and (d). A statement giving the necessary information in regard to the gazetted staff is laid on the table.

(e) It is proposed to fill up the vacancies as soon as circumstances permit.

(f) The post of Physical Chemist has been abolished.

(g) and (h). Do not arise.

(i) Yes.

*List of gazetted staff of the Pusa Institute.*

Serial No.	Name of post.	Whether the incumbent is permanent or officiating.	Gross salary per month (excluding emergent / cut).	Remarks.
	<b>CLASS I.</b>		<b>Rs.</b>	
1	Director and Imperial Mycologist.	Permanent .	2,250 + £13-6-8 (Overseas pay).	
2	Imperial Economic Botanist and Joint Director.	Do. .	1,800 + £30 (Overseas pay).	
3	Imperial Entomologist .	Vacant .	..	Officiating as Imperial Entomologist.
4	2nd Entomologist (Dipterist).	Permanent .	1,050	
5	Imperial Agricultural Chemist.	Vacant .	..	Officiating as Imperial Agriculturist.
6	Imperial Agriculturist .	Do. .	..	
7	Supernumerary Agriculturist.	Permanent .	1,450 + £30 (Overseas pay).	
8	Physiological Chemist .	Do. .	1,350 + £30 (Overseas pay).	
9	2nd Imperial Economic Botanist.	Vacant .	..	
10	Imperial Dairy Expert .	Permanent .	650	
11	Sugarcane Expert .	Do. .	1,050	
12	2nd Cane Breeding Officer	Do. .	650	
	<b>CLASS II AND OTHER GAZETTED POSTS.</b>			
1	1st Assistant to Imperial Entomologist, Class II.	Permanent .	800	
2	1st Assistant to Imperial Agricultural Chemist, Class II.	Do. .	650	
3	1st Assistant in charge Bacteriological Section, Class II.	Do. .	675	
4	1st Assistant to Physiological Chemist, Class II.	Do. .	580	
5	1st Assistant to Imperial Agriculturist, Class II.	Do. .	480	
6	Cattle Superintendent, Pusa, Class II.	Do. .	500	
7	1st Assistant to Imperial Mycologist, Class II.	Do. .	480	
8	Research Assistant, Mycological Section.	On probation	250	



Serial No.	Name of post.	Whether the incumbent is permanent or officiating.	Gross salary per month (excluding emergency cut).	Remarks.
	CLASS II AND OTHER GAZETTED POSTS— <i>contd.</i>		Rs.	
9	1st Assistant to Imperial Economic Botanist	Officiating	300 in place of permanent incumbent on other duty.	
10	1st Assistant to Sugarcane Export, Class II.	Permanent	525	
11	Assistant to Imperial Agricultural Bacteriologist, Class II.	Vacant		The permanent incumbent has been appointed temporarily in Mosaic Scheme.
12	Assistant to Imperial Entomologist, Class II.	Do.		} Pay not yet fixed.
13	Statistician, Class II	Do.		
14	Superintendent, Imperial Cattle Breeding Farm, Karnal.	Permanent	710	
15	Superintendent, Imperial Institute of Animal Husbandry and Dairying, Bangalore.	Do.	820	
16	Electrical Engineer	Do.	270	
17	Assistant to Imperial Agricultural Bacteriologist.	Do.	300	
18	Temporary Research Assistant, Botanical Section.	Temporary	250	The post is temporary.

WATER-SUPPLY ARRANGEMENTS AT DEHRA DUN.

35. THE HONOURABLE MR VINAYAK VITHAL KALIKAR (on behalf of the Honourable Sardar Shri Jagannath Maharaj Pandit): Will Government be pleased to state :

(a) What are the present sources and arrangements for water-supply to the different Government buildings, offices, and institutions at Dehra Dun, and in particular the new Indian Military Academy and the Prince of Wales' Royal Military College ?

(b) Whether it has been suggested that the present water-supply of Dehra Dun is not good enough for its purpose ?

THE HONOURABLE KHAN BAHADUR MIAN SIR FAZL-I-HUSAIN :

(a) All drinking water in Dehra Dun is obtained from hill sources, viz., springs or small streams emanating from the hill sides below the Mussoorie hills. Arrangements for the supply of water to the Cantonments are in the hands of the Military Engineering Service ; to the Forest Research Institute, the

Royal Military College and the Indian Military Academy in the hands of the Public Works Department and the Military Engineering Service and to other Government buildings in the locality in the hands of the municipality.

(b) All water from hill sources in the neighbourhood of Dehra Dun is likely to be hard, but Government have had no complaints that the water is not good.

GRATUITY TO FAMILIES OF SUBORDINATE EMPLOYEES WHO DIE WHILE IN SERVICE.

36. THE HONOURABLE MR. VINAYAK VITHAL KALIKAR (on behalf of the Honourable Sardar Shri Jagannath Maharaj Pandit): Will Government be pleased to state :

(a) Whether there has been experienced a steady increase every year in the rate of deaths of subordinate employees who die while in service ?

(b) Whether it is a fact that the families of such employees are paid nothing in consideration of the service of the deceased employees ?

(c) Whether it is a fact that families of such deceased subordinate employees are almost in all cases left without any support or any means to live on ?

(d) Whether any provision exists at present whereby families of employees of superior services receive a sort of pension or gratuity in the case of deaths of such superior servants while in service ?

THE HONOURABLE MR. J. B. TAYLOR : (a) No. Statistics show that the mortality rate of subordinate Government officers in service has steadily fallen in recent years.

(b) Except in exceptional circumstances, yes.

(c) Government have no information but have no reason to believe that this is the case.

(d) The families of pensionable members of the superior services who die in service receive nothing except from family pension funds which in the main are financed by the subscriptions of the members themselves.

PENSION RULES OF THE SUBORDINATE SERVICES.

37. THE HONOURABLE MR. VINAYAK VITHAL KALIKAR (on behalf of the Honourable Sardar Shri Jagannath Maharaj Pandit): Will Government be pleased to state :

(a) Whether it is a fact that the pension rules of the subordinate services at present in force were passed some forty years ago ?

(b) Whether it is a fact that the Bombay Government, who had previously the same pension rules for their subordinate employees as those framed by the Government of India, have, with effect from 1929, revised their pension rules so as to lessen the duration of service for the purpose of qualifying for pension ?

(c) Whether it is a fact that subordinate employees of the Government of India and those of the Bombay Government working in the same locality, e.g., Bombay, are now governed by different pension rules ?

THE HONOURABLE MR. J. B. TAYLOR : (a) Yes.

(b) The rules issued by the Government of Bombay in 1929 reduce by less than a year, in the normal case, the period of service requisite to qualify for full pension.

(c) Yes.

(1) GRATUITY TO THE FAMILIES OF SUBORDINATE EMPLOYEES WHO DIE WHILE IN SERVICE.

(2) PROPORTIONATE PENSION TO SUBORDINATE EMPLOYEES.

38 THE HONOURABLE MR. VINAYAK VITHAL KALIKAR (on behalf of the Honourable Sardar Shri Jagannath Maharaj Pandit) : Will Government be pleased to state :

(a) Whether it is a fact that under the pension rules in force at present, no pension or gratuity is admissible to the widows or minor children of subordinate employees deceased while in service ?

(b) Whether it is a fact that employees are eligible for a proportionate pension after putting in qualifying service for ten years and over ?

(c) Whether it is a fact that production of an invalid certificate is in all cases required before the proportionate pension mentioned in (b) above is granted ?

(d) Whether any such pension sanctioned is paid to the retired employee during the remaining tenure of his life ?

(e) Whether it is a fact that the pension is a sort of consideration for the faithful services of the employees ?

THE HONOURABLE MR. J. B. TAYLOR :—(a) The Honourable Member will find an answer to this in my reply to part (b) of his question No. 36.

(b) Pensions are ordinarily admissible after 10 years' service only if the Government servant is invalided, superannuated or compulsorily retired.

(c) No.

(d) and (e). Yes.

HOURS OF ATTENDANCE OF THE MINISTERIAL STAFF OF THE NEW CUSTOM HOUSE, BOMBAY.

39. THE HONOURABLE MR. VINAYAK VITHAL KALIKAR (on behalf of the Honourable Sardar Shri Jagannath Maharaj Pandit) : Will Government be pleased to state :

(a) Whether it is a fact that the hours of attendance of the ministerial staff of the new Custom House, Bombay, are more by half an hour per day than those in the Offices of the Accountant General and Currency and Mint Office in Bombay ?

(b) Whether it is a fact that the attendance hours of the ministerial staff of the new Custom House, Bombay, are more than those in the various offices of the Bombay Government in the same locality ?

(c) Whether it is a fact that the ministerial staff of the new Custom House, Bombay, do not get any overtime or any other compensation for the above-cited increased period of attendance ?

(d) Whether it is a fact that the regular time-scale of pay granted to clerks in the new Custom House, Bombay, is less than those granted to clerks in the offices in Bombay of the Accountant General, Mint and those under the Local Government Secretariat ?

(e) Whether there are any exceptional reasons why the clerical staff of the new Custom House, Bombay, must put in extra attendance daily with lesser scale of pay as compared with their confreres in other Bombay offices ?

(f) Do Government propose to investigate the question of bringing the employees of the ministerial staff of the new Custom House, Bombay, into line with those in other departments cited above in respect of the hours of attendance ?

THE HONOURABLE MR. J. B. TAYLOR : (a), (b), (c) and (d). Yes. -

(e) The hours of attendance are not longer than those in force at other Custom Houses : the Customs Department deals mainly with the commercial public and to work shorter hours would cause inconvenience.

(f) The Government do not propose to take the action suggested.

RECLASSIFICATION OF ARTICLES IN THE ANNUAL CUSTOMS STATISTICS AS A RESULT OF THE INDIAN TARIFF (OTTAWA TRADE AGREEMENT) AMENDMENT ACT.

4). THE HONOURABLE MR. VINAYAK VITHAL KALIKAR (on behalf of the Honourable Sardar Shri Jagannath Maharaj Pandit) : Will Government be pleased to state :

(a) Whether as a result of the Ottawa Amendment Act Government intend to make any change in the nature of the custom statistics which are published every year ?

(b) Whether Government will now classify the various articles on the basis of rates of duty applicable thereto or on the basis of various commodities ?

(c) Whether this revised classification will result in increasing the work of the statistical departments of the various Custom Houses ?

(d) Whether Government have so far sanctioned or propose to sanction any additional staff for the compilation of the above-mentioned additional statistics ?

THE HONOURABLE MR. J. C. B. DRAKE : The passing of the Indian Tariff (Ottawa Trade Agreement) Amendment Act necessitates some changes in the form of the published statistics relating to India's import and export trade, and the customs revenue derived therefrom. The matter is under the consideration of the Government of India and they cannot say yet whether the changes will result in increasing the work of the staff employed on the collection and compilation of these statistics.

**REDUCTION OF MINISTERIAL STAFF IN THE NEW CUSTOM HOUSE, BOMBAY.**

**41. THE HONOURABLE MR. VINAYAK VITHAL KALIKAR** (on behalf of the Honourable Sardar Shri Jagannath Maharaj Pandit): Will Government be pleased to state :

(a) Whether it is a fact that in 1932 a 10 per cent. reduction was ordered to be carried out in the ministerial staff of the new Custom House, Bombay ?

(b) Whether it is a fact that there was no corresponding fall in revenues nor in the volume of work in the office ?

(c) Whether it is a fact that the reduction so effected resulted in aggravating the service conditions of those working in the department ?

(d) Whether the 10 per cent. reduction so effected has resulted in depriving the ministerial cadre of the new Custom House, Bombay, of its entire leave reserve ?

(e) Whether it is a fact that as a result of the reduction so effected, employees of the Customs Office, Bombay, now-a-days have to face delays extended over considerable periods before they can have any leave though much more than what is asked for is admissible to them ?

(f) Whether Government propose to re-examine the matter in the light of the present volume of work as compared with the volume of work in 1929 ?

**THE HONOURABLE MR. J. B. TAYLOR :** (a) Yes.

(b) No. The reduction was effected in view of the fall in revenue and decrease in the volume of work dealt with by the ministerial staff.

(c) No. The service conditions of the clerical staff were not appreciably aggravated as a result of the reduction.

(d) No. The leave reserve has been reduced proportionately to the retrenchment effected.

(e) No. The only effect has been that leave has not been granted as freely as in the period preceding the retrenchment.

(f) No.

**CUT IN SALARIES.**

**42. THE HONOURABLE MR. VINAYAK VITHAL KALIKAR** (on behalf of the Honourable Sardar Shri Jagannath Maharaj Pandit): Will Government be pleased to state :

(a) Whether it is a fact that the emergency 10 per cent. cut in salaries of Government employees was intended to be of a temporary nature not extended beyond the need of the then existing financial emergency ?

(b) Whether it is a fact that the exceptional financial emergency has since ceased to continue ?

(c) Whether it is a fact that there has been a considerable increase in the yield of customs duties during the financial year 1932-33 ?

(d) Whether it is a fact that the receipts by way of income-tax have also been more than those of the last financial year, viz., 1931-32 ?

(e) Whether the total revenues of the Government of India realised so far have exceeded their approximate estimates for the corresponding period ?

THE HONOURABLE MR. J. B. TAYLOR : (a) Yes.

(b) No.

(c) to (e). The monthly figures of revenue and expenditure are published in the Gazette of India. For a fuller appreciation of the progress of actuals as compared with the budget estimates, I must again ask the Honourable Member to await the usual budget statement.

#### REPORT OF MR. HASAN ON THE REPRESENTATION OF MINORITIES IN THE RAILWAY SERVICES.

43. THE HONOURABLE MR. HOSSAIN IMAM : 1. Will Government give the following information about Mr. Hasan's report on the representation of Muslims and other minorities in the Railway services :

(a) The date on which the report was sent to the Railway Board ?

(b) The date on which the Railway Board came to a decision ?

(c) The date on which the Honourable the Railway Member (Sir George Rainy) passed orders on the report ?

(d) Will Government lay on the table that order ?

(e) The date on which the report was sent to the Home Department ; and the date of their decision ?

2. Will Government state the name of the officer of the Home Department who is scrutinising Mr. Hasan's report ; on what date he submitted his report or hopes to submit it ?

THE HONOURABLE SIR GUTHRIE RUSSELL : Mr. Hasan's report was submitted by him on the 16th February, 1932 and is still under the consideration of the Government of India. Government regret they cannot furnish any further information in respect of that report except that they hope to issue early orders on the question of principle involved after which the details as regards railway staff will be worked out, and a decision arrived at after consultation with the Central Advisory Council for Railways.

THE HONOURABLE MR. HOSSAIN IMAM : Will the Government give the dates on which the departments of the Government of India dealt with the file ?

THE HONOURABLE SIR GUTHRIE RUSSELL : The dates on which the departments of the Government of India dealt with the file are irrelevant. This is a matter of detailed administrative arrangements and the Government of India cannot give the information asked for. The Government of India is one and indivisible.

**ACCUMULATION OF INTEREST ON MONEY DEPOSITED BY MUSLIMS IN THE POST OFFICE SAVINGS BANK AND GOVERNMENT SECURITIES.**

**44. THE HONOURABLE MR. HOSSAIN IMAM :** Is it a fact that considerable numbers of Muslims who deposit money in the post office savings bank and in Government securities do not draw the interest? If it is so, can Government state the approximate amount of money remaining so unpaid during the last three years?

**THE HONOURABLE MR. J. B. TAYLOR :** Government understand that there are a certain number of Muslims who deposit money in post office savings banks and Government securities without drawing interest. Government have no information regarding the amount of money so involved, but there is no reason to believe that it is appreciable.

**CAPITATION RATE TRIBUNAL.**

**45. THE HONOURABLE MR. HOSSAIN IMAM :** Will Government now reply in detail to my question No. 158, dated the 29th November, 1932, regarding the terms of the English counsel?

**HIS EXCELLENCY THE COMMANDER-IN-CHIEF :** I would refer the Honourable Member to the answer which I gave to his question No. 12 on the 16th February.

**MUSLIM GAZETTED OFFICERS IN PORT TRUSTS.**

**46. THE HONOURABLE MR. HOSSAIN IMAM :** Will Government state if it is a fact that out of 148 Indians in the ranks of the gazetted officers of the Port Trusts of India only five are Muslims? Has Government taken any steps to check the monopolisation of these posts by non-Muslims? If so, what? If not, why not?

**THE HONOURABLE MR. J. C. B. DRAKE :** The number of Muslims and the total number of Indians in the superior services of Port Trusts are as stated in the first part of the question. As regards the second part, the position is that, except in the case of a small number of high posts, the power to make appointments to these services is by law vested in the Port Trusts themselves, and it is for them to consider whether steps should be taken to redress communal inequalities in their services.

**COMMUNAL COMPOSITION OF THE GAZETTED AND SUBORDINATE STAFF OF THE SECRETARIAT.**

**47. THE HONOURABLE MR. HOSSAIN IMAM :** Will Government give the communal composition of the gazetted and subordinate staff of the Secretariat departmentally?

**THE HONOURABLE MR. M. G. HALLETT :** A statement containing the information is laid on the table.

Statement showing the communal composition of the staff (Assistant Secretaries and below) in the departments of the Government of India in February, 1933.

COUNCIL OF STATE.

[18TH FEB. 1933.]

Department.	Gazetted posts.					Gazetted posts.					Non-gazetted posts.					Remarks.	
	Assistant Secretary.					Superintendents.					Assistant, clerks, stenographers, etc.						
	Hindus.	Muslims.	Europeans and Anglo-Indians.	Sikhs.	Indian Christians.	Others.	Hindus.	Muslims.	Europeans and Anglo-Indians.	Sikhs.	Indian Christians.	Others.					
Army . . . . .	..	..	2	..	..	..	2	..	2	..	51	14	9	3	1	1	Excludes two vacant non-gazetted posts.
Commerce . . . . .	1	..	1	..	..	..	4	..	1	..	58	18	3	6	1	1	
Education, Health and Lands.	..	..	1	..	..	..	2	1	2	1	49	22	4	6	1	1	
Finance . . . . .	1	1	..	..	..	..	3	2	1	..	51	16	3	4	2	..	
Foreign and Political . . . . .	..	..	2	..	..	..	5	..	6	1	61	27	26	5	3	..	
Home . . . . .	1	1	1	..	..	..	2	..	3	..	33	15	15	3	2	..	*There is no post of Assistant Secretary as such in the Imperial Council of Agricultural Research but the post of Secretary in that Department carries the pay and status of Assistant Secretary to the Government of India.
Imperial Council of Agricultural Research.	1*	..	..	..	..	..	..	1†	..	..	14	8	..	1	..	..	
Industries and Labour . . . . .	2	..	..	..	..	..	6	..	1	..	57	19	2	3	5	..	
Legislative . . . . .	1	..	1	..	..	..	..	..	2	..	31	7	9	1	1	..	
Legislative Assembly . . . . .	1	..	..	..	..	..	..	1	1	..	31	13	2	1	1	1	
Military Finance . . . . .	3	..	2	..	..	..	5	..	..	..	76	9	2	4	2	..	†Officiating.
Railways . . . . .	..	..	1	..	..	..	3	..	3	..	81	16	8	2	3	1	

†Officialting.



**INELIGIBILITY OF GRADUATES OF INDIAN MEDICAL COLLEGES FOR APPOINTMENT IN THE INDIAN MEDICAL SERVICE.**

**48. THE HONOURABLE MR. HOSSAIN IMAM :** Will Government state if it is a fact that Graduates of Indian Medical Colleges are not now eligible for appointment in the Indian Medical Service? If so, since when was this bar imposed? Has Government taken any steps or do they propose to take steps to remove this disability? If not, why not?

**HIS EXCELLENCY THE COMMANDER-IN-CHIEF :** A candidate for the Indian Medical Service must possess a qualification registered in Great Britain and Northern Ireland. The medical degrees of Indian Universities have not been so registrable since February, 1930, but the question of providing that the possession of an Indian Medical degree shall be an alternative qualification is now under consideration, and it is expected that a decision will be reached at a very early date.

**EXEMPTION FROM INDIAN INCOME-TAX OF LEAVE SALARY PAID IN THE UNITED KINGDOM.**

**49. THE HONOURABLE MR. HOSSAIN IMAM :** Will Government state whether it is a fact that leave salary paid in the United Kingdom even by negotiable rupee drafts on banks in India are exempted from Indian income-tax? If it is a fact, will Government explain the reason and the authority for this?

**THE HONOURABLE MR. J. B. TAYLOR :** Yes. The reason for granting an exemption is the fact of payment in the United Kingdom, the particular form which the payment may take being irrelevant. The exemption has been granted by the Governor General in Council under the authority vested in him under section 60 of the Indian Income-tax Act.

**EXEMPTION FROM INDIAN INCOME-TAX OF THE SALARIES OF THE HIGH COMMISSIONER FOR INDIA AND OF THE DIPLOMATIC AND TRADE REPRESENTATIVES OF FOREIGN NATIONS IN INDIA.**

**50. THE HONOURABLE MR. HOSSAIN IMAM :** Will Government state if it is a fact that the salary of the High Commissioner for India is not subject to Indian income-tax? Are the salaries of the Diplomatic and Trade Representatives of foreign nations accredited to India subject to Indian income-tax?

**THE HONOURABLE MR. J. B. TAYLOR :** The answer to the first part of the question is in the affirmative. Under the Indian Income-tax Act, 1922, salaries of Government officers serving outside India are not liable to income-tax unless they are drawn or otherwise received in India.

As regards the second part of the question the official salaries of Diplomatic Representatives of Foreign Governments and certain Trade Commissioners have been specially exempted from the payment of Indian income-tax under the powers vested in the Governor General in Council under section 60 of the Act.

**THE HONOURABLE MR. HOSSAIN IMAM :** Will the Honourable Member kindly inform the House of the number of the notification by which it was exempted?

**THE HONOURABLE MR. J. B. TAYLOR :** I require notice of that question, Sir. I have not got the information readily available.

### SAVING TO INDIA FROM THE CONVERSION OF THE BRITISH WAR LOAN.

51. THE HONOURABLE MR. HOSSAIN IMAM : Will Government now reply in detail to parts 1 and 2 of my question No. 180 of the 8th December, 1932, regarding the resultant saving to India from the conversion of the British War Loan ?

THE HONOURABLE MR. J. B. TAYLOR : Part 1 of the Honourable Member's question No. 180 will be dealt with in the budget statement to be made on the 28th February. I have nothing to add to the reply to part 2 given by the Honourable Sir Alan Parsons.

### COST TO THE MILITARY DEPARTMENT OF THE SUPPLY OF ARMED GUARDS TO THE EAST INDIAN RAILWAY FOR GUARDING ARMOURIES.

52. THE HONOURABLE MR. HOSSAIN IMAM : Will Government state the cost to the Military Department of the supply of armed guards to the East Indian Railway for guarding armouries in the years 1930-31 and 1931-32 ? To what head was this amount debited ? What was the utility of this to the Military Department ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The Honourable Member no doubt remembers that during the first month of the period in question the Auxiliary Force armoury at Chittagong was attacked by armed raiders. He will agree that there were obvious advantages in having such places protected by armed sentries. I have no information regarding the expenditure involved and I do not think that the value of such information would justify the trouble necessary to obtain it. The expenditure may be presumed to have been charged to the normal head of account—48-Army, Part B, Auxiliary and Territorial Forces.

THE HONOURABLE MR. HOSSAIN IMAM : Does the Honourable Member consider that it is still necessary to maintain guards at armouries ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : Absolutely.

### ARMOURIES AT RAILWAY STATIONS OF THE EAST INDIAN RAILWAY BEFORE 1930.

53. THE HONOURABLE MR. HOSSAIN IMAM : Will Government state if there were armouries at important railway stations of the East Indian Railway before 1930 ? If the reply be in the affirmative, will Government state how they were guarded ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : The answer to the first part of the question is in the affirmative. I am not aware of the precise arrangements made for the protection of these armouries before 1930 ; such arrangements were, and are, made by the Army Commander concerned.

### PURCHASE OF LOCOMOTIVES FOR STATE RAILWAYS.

54. THE HONOURABLE MR. HOSSAIN IMAM : Will Government give the following information about the purchase of locomotives for the State Railways for the years 1930—33 :

(a) numbers, kinds and weights of locomotives ;

(b) numbers purchased from capital and depreciation funds ;

(c) numbers of stocks replaced, and how disposed of ?

Will Government give this information separately for each of the three years ?

**THE HONOURABLE SIR GUTHRIE RUSSELL :** (a) and (b). A statement containing the information asked for is placed on the table of the House. Locomotives provided for exclusively out of capital have been shown under "Additions" in this statement and those whose cost was partly met from capital and partly from depreciation fund have been shown under "Renewals". No locomotives were obtained solely at the expense of depreciation fund.

(c) The numbers shown under "Renewals" represent replacements. Information regarding their disposal is not readily available.

*Statement showing numbers, types and weights of locomotives provided for State-owned Railways in the budget estimates for the years 1930-31, 1931-32 and 1932-33.*

Year.	Additions.			Renewals.			Remarks.
	Nos.	Types.	Weight per loco-motive.	Nos.	Types.	Weight per loco-motive.	
			Tons.			Tons.	
1930-31	16	Y. F.	40.0	27	X. A.	82.77	
	6	Y. D.	67.28	16	X. C.	118.84	
	2	Y. T.	19.98	28	X. E.	143.40	
	2	A (4-6-4)	55.45	1	Petrol Shunting	12.75	
	2	Saddle Tank Ghat.	Not known.	10	B. G. Articulated	83	
				21	B. G. Y. D.	67.2	
				5	Y. F.	40	
				13	Z. E.	48.7	
				1	J. R. S.	Not known	
				8	(4-6-2) M.G.	67.28	
1931-32	12	P. (M. G.)	56.5	6	(2-8-2)	-	'O' type.
	3	Y. F.	40.0	17	X. A.	82.77	
				16	X. B.	155	
				7	X. D.	122	
				10	Y. C.	68.6	
				15	Y. D.	67.2	
				1	I. R. S. (M. G.).	Not known	
				7	Z. B.	32.6	
	1	Shunting B. G.	Not known	3	Y. C.	68.6	
	1	Z. B.	32.6	3	Y. K.	39.45	
1932-33				3	R. E. S. A. (M. G.).	62.5	'O' type.
				2	Z. B.	32.6	
				3	C. B. (V. G.)	11.65	
1933-34		Nil			Nil		

## ACQUISITION OF BUNGALOWS IN PESHAWAR CANTONMENT.

55. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government kindly state :

(i) (a) Whether it is a fact that Government intend to acquire a large number of bungalows in Peshawar Cantonment ?

(b) If so, what is the total number of bungalows which Government intend to acquire ?

(c) How many of these bungalows belong to Indians and how many to Europeans ?

(ii) (a) Is it a fact that if these bungalows are acquired their owners will be rendered practically homeless ?

(b) Is there a civil station at Peshawar where these owners who would be turned out of their bungalows can go and reside ?

(c) If not, what arrangements does Government intend to make for finding them safe sites and in what time will such bungalows be required to be vacated ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (i) (a) and (b). At present Government intend to acquire 13 bungalows in Peshawar Cantonment.

(c) All the bungalows belong to Indians.

(ii) (a) Government understand that only four of the bungalows are occupied by Indians, and that one of these was not so occupied until after notice had been given of Government's intention to acquire it.

(b) and (c). There is no civil station, but Peshawar City is close to the cantonment. Government have no reason to believe that the small number of occupiers who will be displaced will have any difficulty in acquiring alternative accommodation in the neighbourhood. The bungalows will not be vacated until the Collector has made his award under the Land Acquisition Act.

## NUMBER OF BUNGALOWS IN PESHAWAR CANTONMENT.

56. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : (i) (a) What is the total number of bungalows in Peshawar Cantonment ?

(b) How many of these are occupied by Indian owners for their own residence ?

(c) How many bungalows in the Cantonment are occupied by Europeans and Anglo-Indians ?

(d) How many bungalows does Government intend to acquire from among those occupied by Indians ?

(ii) (a) Is it a fact that not a single bungalow occupied by a non-military European or Anglo-Indian is intended to be acquired ?

(b) Is it a fact that only Indian residents of such bungalows will be affected by this acquisition proceedings ?

(c) If the answer to (ii) (b) is in the negative, will Government please state the number and names of Europeans who might be affected ?

(d) If no names can be stated in answer to (ii) (c), will Government explain why houses occupied by Indian owners alone have been singled out ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF : (i) (a) and (b). Information obtained last year showed that there were 176 bungalows in Peshawar Cantonment suitable for occupation by military officers ; 10 of these were occupied by the owners.

(c) Government have no information.

(d) The information is given in the reply to part (ii) (a) of the previous question.

(ii) (a) Yes, Sir.

(b) Yes, but cantonments are intended primarily and essentially for troops and their officers.

(c) Does not arise.

(d) Because there are very few bungalows in Peshawar Cantonment occupied by non-official persons who are not Indians; and accommodation is needed for those military officers—both British and Indian—who are required to live in cantonments in the discharge of their official duties.

**DEPUTATION IN CONNECTION WITH ACQUISITION OF BUNGALOWS IN PESHAWAR CANTONMENT.**

57. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : (i) (a) Is it a fact that the house owners of Peshawar represented this matter in deputation to His Excellency the Governor, North-West Frontier Province, and Major-General Orton?

(b) What replies did these officers give to the deputationists?

(c) Did the house owners of Peshawar request these officers to appoint a committee, with representatives of the house owners to go into the question of meeting the demand of houses in the Cantonment?

(d) Did they offer to build more bungalows at their cost to be reserved for military officers?

(e) What answer was made to these suggestions and offers?

(ii) (a) Is it a fact that the house owners of Peshawar requested the General Officer Commanding, Northern Command, for an interview in this connection?

(b) Was such interview refused? If so, why?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (i) (a) The Government of India understand that the house owners submitted a memorial to His Excellency the Governor of the North-West Frontier Province. The house owners also waited on Major-General E. F. Orton, Deputy Quartermaster General in India, at Peshawar.

(b) Major-General Orton explained the position to the house owners, and the necessity for acquiring certain sites.

(c) They made no such request to General Orton.

(d) Yes.

(e) The offer was not accepted partly because it has been made many times before and has never been implemented and partly because it does not offer a really satisfactory solution of the difficulty from the point of view of the general taxpayer.

(ii) (a) Government have no information.

(b) Does not arise.

**OPEN SPACES ON WHICH BUNGALOWS COULD BE BUILT IN PESHAWAR CANTONMENT.**

58. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : (a) Is it a fact that there are large areas available within the limits of Peshawar Cantonment on which bungalows can be built, including three polo grounds?

(b) Why does not Government build houses on these vacant sites with the same money instead of acquiring the houses occupied or owned by Indians ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (a) and (b). There are no large spaces in Peshawar Cantonment on which houses could suitably be built. The three grounds used for polo are also required for military purposes and must be retained as open spaces.

#### COMPENSATION FOR BUNGALOWS ACQUIRED IN PESHAWAR CANTONMENT.

59. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS :

(a) What compensation does Government intend to give the house owners of Peshawar in those cases in which notices have already been issued ?

(b) What are the present rents of the bungalows affected ?

(c) What ratio does the compensation offered bear to the annual rent ?

HIS EXCELLENCY THE COMMANDER-IN-CHIEF: (a) The amount of compensation will be determined and awarded by the Collector under the Land Acquisition Act.

(b) A statement giving the information is laid on the table.

(c) Does not arise in view of the answer to (a), but, in any case, there is no reason why the compensation should bear any fixed relation to the rent, if the rents themselves are exorbitant.

#### *Statement giving rents of the bungalows.*

##### PESHAWAR CANTONMENT.

19, The Mall . . . . .	Is vacant at present. The last tenant paid rent at Rs. 40 a month.
8, Jheel Road . . . . .	Rs. 100 per mensem.
8-A., Jheel Road . . . . .	Rs. 50 per mensem.
1, Warburton Road . . . . .	Rs. 120 per mensem.
3, Warburton Road . . . . .	Rs. 100 per mensem.
5, Warburton Road . . . . .	Rs. 150 per mensem.
6, Warburton Road . . . . .	Rs. 100 per mensem.
2, RoosKeppel Lane . . . . .	The owner is in occupation. In 1931 the rent was Rs. 110 a month.
5, Fort Road . . . . .	The owner is in occupation. Rental value, as assessed under the Cantonments Act, 1924, is Rs. 80 a month.
6, Michni Road . . . . .	Bungalow burnt down.
21, The Mall . . . . .	Rs. 82 per mensem.
9, Willecocks Road . . . . .	Rs. 153 per mensem.
66, The Mall . . . . .	Rs. 115 per mensem.

#### DUMPING OF SUGAR CANDY IN INDIA BY JAPAN.

60. THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS : Will Government kindly state whether they have received any representations and telegrams from the Sugar Candy Association from Bombay regarding dumping of Japanese sugar candy in India, and if so, what action Government have taken or propose to take in this connection ? If none, why ?

THE HONOURABLE MR. J. C. B. DRAKE : Representations have recently been received on the subject and the matter is engaging the attention of Government.

## GENERAL DISCUSSION OF THE RAILWAY BUDGET.

**THE HONOURABLE THE PRESIDENT :** General discussion will now proceed on the Railway Budget, Part I.

**THE HONOURABLE MR. JAGADISH CHANDRA BANERJEE** (East Bengal : Non-Muhammadan) : Sir, that the world-wide trade depression and the political condition in India would seriously affect the railway earnings in India was a foregone conclusion and nobody thought, however optimistic he might be, that the Honourable the Railway Member would work a miracle and give us a balanced Railway Budget. From the perusal of the speeches of the Railway Member and the Chief Commissioner for Railways with their brilliant array of facts and figures one would necessarily come to the conclusion that however disappointing the Budget might be they could not present us with a better one. But that does not refrain one from making a general and constructive criticism and not a destructive one with regard to the condition and working of Railways in India. The huge loss of this year, receipts being the smallest since 1921, provides dismal reading indeed. But one is not convinced with the arguments advanced by the Chief Commissioner for Railways and the Railway Member that the loss was entirely due to the economic depression and political situation in the country. It can easily be understood that there was no other way of meeting the deficits for 1931-32 and 1933-34 than by borrowing from the Depreciation Fund. And as there is a silver lining to almost every cloud, we have it from the framer of the Budget that he has taken a more optimistic outlook for 1933-34 and an increase of two per cent. in traffic receipts is hoped for and the final result is estimated at a deficit of 777 lakhs (580 lakhs on commercial lines and 197 lakhs on strategic lines). We wish we could share the optimism of those who have prepared the estimates for 1933-34 but our hopes end in smoke when we learn that this deficit too will have to be met from the Depreciation Fund. The Chief Commissioner for Railways, as well as the Railway Member, do not say clearly, working on which particular data they have arrived at the conclusion that an increase of two per cent. in traffic receipts may be hoped for in 1933-34.

However, it is to be regretted that more economies could have been effected in the Railways had the authorities wanted to do that in right earnest. Top-heavy expenditure should have been cut down. In plain words, the tall poppies should have been lopped off but instead of that the axe has been applied to the subordinate staff causing thereby more unemployment in the country. Be that as it may, it is hoped the Pope Enquiry Committee would explore all avenues to effect reasonable retrenchment in all departments of the Railways in India. I can not but mention here that the Railway Clearing House is a costly affair and this can be easily abolished without impairing the efficiency of the administration. So far as I can understand the upkeep and usefulness of this office is not commensurate with the money spent on its account.

It is generally to be found that in passenger traffic earnings, those from the upper classes are always very much lower than those from the third class : yet the inconvenience and difficulties of the third class passengers in the trains are a good deal to which the authorities seem to be giving no serious consideration. It is hoped better amenities and sanitary arrangements would be provided for third class passengers in trains as they in the aggregate pay more than the upper class passengers. In intermediate class carriages there

[ Mr. Jagadish Chandra Banerjee.]

should be bathroom arrangements with wash basins for the passengers. The Honourable Members of this House have no idea of the difficulties of passengers travelling long distances in the intermediate class who have to go without a bath and wash.

I should here like to allude to the motor competition with the Railways referred to by the Chief Commissioner for Railways as I find that he has hoped for adoption by the country as early as possible a policy of co-ordinating the two systems of transport so that they may become complementary and not competitive. We are glad to learn that Government intend to hold in April next a representative conference to discuss this important question. Motor industry and road development are progressing now in India. It is hoped the result of the conference will be such as will not be detrimental to the growing bus and motor services in the country.

I can not conclude here without mentioning about the Dacca-Aricha Railway scheme in my part of Bengal which has unfortunately escaped the notice of the Honourable the Railway Member and the Chief Commissioner for Railways when they have given a short account of their activities on new works during the current year and placed before us the Capital and Depreciation Fund programme for the ensuing year. The survey of the proposed line was completed some five years ago but yet money could not be found to construct the line which would have naturally given a stimulus to trade and industry and the line would have been a profit-earning one. But it is understood, owing to the intervention of the steamer company which, by the way, is a British one, the proposed construction of the line has been postponed *sine die*.

In view of the fact that the Chief Commissioner for Railways has given us a picture of a mythical Board of Directors of the Indian Railways and made a declaration of three per cent. dividend even in these days when we have experienced the worst situation, may we not hope that the construction of the Dacca-Aricha Railway would be commenced at no distant time?

With these few words, Sir, I should like to finish my say about the Railway Budget in the hope that the humble suggestions made by me may be accepted by Government and given effect to in time.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS (Punjab : Non-Muhammadan): Sir, I sympathise with the Honourable the Railway Member that, in his very first year of office, he is faced with a deficit Railway Budget. I find, from a commonsense point of view, being a layman, that the policy which the Railways have adopted is not a right and businesslike policy. They have tried to effect savings and they have failed to add to their revenues. They adopted four methods for this purpose : firstly, enhancement in fares ; secondly, enhancement in freights ; thirdly, reduction in the staff ; and fourthly, cuts in salaries. What do we find to be the practical result of these measures ? As far as the enhancement of fares is concerned, I think this very step is responsible for the development of the lorry traffic. Lorries did exist before, but it was the question of rates which persuaded the would-be owners of lorries not to launch their campaign against the Railways. It is my opinion that for the creation of this competitive lorry traffic the Railway Department themselves are responsible. In case Railways reduce fares the traffic will be diverted from the lorries to the Railways. What has actually happened ? The times being very abnormal and owing to unprecedented economic depression, we find that generally those people who used to travel first class have begun to travel



second class, those who used to travel second class are going inter class, those who used to go inter class have gone to the third class and those who were travelling in the third class have gone to the lorries, as, Sir, the amenities and facilities which used to be given to the third class passengers are getting reduced. Also, Sir, owing to fall in traffic, the number of vehicles on trains has been reduced and this has resulted in the carriages being over-crowded. Then, Sir, the through services have been to some extent curtailed, with the result that the need for changing from one train to another has also caused diversion of traffic from the Railways to buses. When Railways had no competitor they could dictate their rates, but when there is competition they have found that the raising of rates was a mistake, and this mistake continues still. If Railways bring down their rates, at least to the level of lorry fares, then the buses and lorries would be automatically diverted to areas which are undeveloped at present and would thus serve the useful purpose of developing those areas. This is the right time for the Railways to make a change in policy. Most buses and lorries have almost run their full life and will soon be scrapped, and if Railways reduce their rates they will gain, while those who are thinking of investing money in new buses and lorries will not suffer.

As regards the savings in freights, owing to enhanced freights the traffic has gone down. This enhancement has also been extended to coal freights by means of the 15 per cent. surcharge. Coal, as we all know, is a basic commodity for every industry, and the taxing of coal in this manner is certain to discourage industry. The greater the development of industry, the greater the traffic which Railways may expect, and I think it is high time for the Railway authorities to resile from this retrograde step. The rates of freight on coal are telescopic, and if for revenue purposes the surcharge is to continue, as I was told the other day by my Honourable friend Sir Guthrie Russell, the surcharge ought to be anti-telescopic also. Sir, this request is fair and equitable and should receive the attention of the authorities concerned.

Then, Sir, I come to the reduction in staff. A reduction in staff has been necessitated by the times, but, at the same time, Sir, I must say that we are faced with a very serious problem of unemployment. And although in England we see riot after riot taking place in regard to this very question, the matter is not even being properly considered in India.

Sir, I come to the cut in salaries. The cut was rightly made. We people who served on the various retrenchment committees realized its necessity. But, Sir, let me be excused for saying that the Government of India have made a most vicious blunder in restoring the five per cent. cut at a time when, as the Honourable Railway Member says, we are at rockbottom limit of Railway income. The cry is that there is no traffic, that the receipts have fallen heavily, that the hopes we entertained last month that revenue was on the increase have fallen to the ground, but still we find that five per cent. of the cut in salaries has been restored. Of course, my esteemed friend the Chief Commissioner for Railways might say that when there has been a restoration of five per cent. of the cut generally by the Government of India, why should Railways be treated differently. Certainly he has some justification for that view. But, after all, Railways are run on business lines and we should treat them in a businesslike manner. Instead of our revising salaries and allowances and scaling them down, there has been a restoration of the cut. We were all expecting that the Lee concessions for the superior services, which the public now so much resent, will be withdrawn. They have not. On the other hand, the Honourable Mr. Taylor tells us today that the question of the revision of salaries and allowances

[ Rai Bahadur Lala Ram Saran Das.]

for the future is still under consideration. That is a very easy way for the Government to shield themselves from saying, "No, we won't consider them." I must deplore the attitude of the Government and the slackness they have shown in this important matter. This is the time, when you are in a grave state of depression, when you are losing money, when you are facing deficit budgets--this is the time, Sir, to bring down your salary scales. Instead of cutting down salaries, you raise the salaries indirectly.

As far as savings are concerned, I suggested in my speeches of past years that in the present hard times the concessions to the Army Department should be withdrawn. When we are in such a state of depression we cannot make concessions, and when you have withdrawn concessions from the public there is no reason whatever why you should not withdraw concessions from the Army Department. We find that you charge third class fare for soldiers who travel second and second class fare for those who travel first class. On all army stores you charge a concession goods freight. If my information is correct, you are spending millions of rupees in making new sidings and yards for the Army and new rolling stock in the shape of aeroplane wagons and so on and so forth. I beg to draw the attention of the Honourable the Railway Member and the Chief Commissioner for Railways to this important point, that in future the Army Department should be asked to bear all such charges for sidings and yards and special rolling stock which are made for their exclusive use. I understand the Army Department have a certain number of their own rolling stock to carry their troops, that there are a certain number of wagons for troop train purposes alone. That system should be extended and, if the Army Department have paid for and own that stock, then only should it be allowed concessions and not otherwise.

Sir, I find that there has been a proposal to amalgamate the accounts of strategic railways with commercial railways. On that point, Sir, I have simply to say that the deficit of Rs. 2 crores a year which the Indian Railways bear as an item of loss on strategic lines should no longer be met by the Railways but should be met by the Army Department, particularly in times when Railways are running at a loss. Sir, this item of Rs. 2 crores is being taken as a matter of course now and I think it is high time that this practice should be discontinued, and also the accounts of strategic and commercial railways ought not to be amalgamated. We know that we allot so much to the Army Department every year for their annual expenditure. Let the world and let the people know what it actually is. Why give them more money by the back door? We find, Sir, that the Railway Department is contributing so many crores per year to the Army Department; the Public Works Department by making strategic roads in various provinces is making a handsome contribution to the Army Department. We also know that very many other departments at their own cost are doing the work of the Military Department. I do not say that the military expenditure should not be met; let it be met, but let it be met from Army funds and not from other funds.

Then, Sir, I come to the question of week-end return tickets. On certain Railways week-end return tickets are in vogue and on others they are not. Week-end return tickets bring additional traffic to the Railways, because merchants and those people who travel for the sake of luxury or other avoidable reasons availed themselves of such return tickets; but since week-end return

tickets have been withdrawn most of that traffic has stopped. I would strongly suggest that week-end return tickets be re-introduced between certain stations, wherever the Railway consider that there is a likelihood of a good return or increase in traffic.

Then, Sir, on certain lines you have the ordinary return tickets and on others you have not. Take the instance of the Great Indian Peninsula and the Bombay, Baroda and Central India Railways. There are no return tickets on those lines. It may be said, Sir, that the working expenses on those lines are higher and so these Railways are justified in levying a higher rate. But I must say, Sir, that experiments be made between certain important stations or markets or *mandis* and I hope that such an experiment will prove successful. It will give facilities to the public and it will add to the revenues of the Railways.

Sir, I see in the Budget Speech of my Honourable friend the Chief Commissioner for Railways that provision has been made for the purchase of 2,500 new broad gauge wagons. I understand, Sir, that the total number of broad gauge wagons in use on Indian Railways is 145,000; and I also understand, Sir, that the goods traffic has gone down by more than two per cent. In case, Sir, we take two per cent. of 145,000 wagons it comes to more than 2,500 wagons. If my figures are correct—I believe they are—there seems no necessity for purchasing new wagons, because owing to the fall of traffic hundreds and thousands of wagons are lying idle in the yards and, therefore, Sir, this extra expenditure of Rs. 90 lakhs is unjustified.

Then, Sir, I come to the question of the Railway Rates Advisory Committee. I should like some light to be thrown by the authorities concerned whether this Rates Tribunal is to continue or to end.

Sir, in reply to my question, the Honourable Sir Guthrie Russell told me that the question of voluntary refund of freights on small consignments was discontinued. I will quote his own words :

"The practice of exhibiting at stations lists of overcharges detected in Audit Offices was discontinued some time ago on the ground that it involved a considerable amount of work in Accounts Offices and the system was open to abuse and fraud. The whole question is now under re-consideration."

Sir, any firm of repute will always refund the overcharge it has made in any manner whatsoever. Whenever Government find that they have exacted more money than they ought to have from any of its customers, there seems no justice at all to refuse that refund. Petty merchants who are generally involved in this instance cannot for the sake of a refund of Rs. 5 or under undergo all that red-tapism and perhaps waste more than Rs. 5 on getting the refund. I wish, Sir, that the old practice be restored and revived and this unjust step which has been taken be withdrawn forthwith.

Sir, I now come to the Central Advisory Council for Railways. I had the privilege of serving on this Council for some time and from my own personal experience I can say that in some years we had no meeting. Over and above this, the members of this Advisory Council have no power to initiate any matter or raise any debate on any question. Sir, the refusal of the Government to allow any member to initiate any matter in this Council makes that Council practically useless. I, therefore, Sir, request that the Central Advisory Council for Railways should be allowed to do its legitimate work and that its members should be empowered to move matters which they like. After all the functions of that Council are advisory and Government is not bound to accept all of their recommendations.

[Rai Bahadur Lala Ram Saran Das.]

Sir, I find that the encouragement which the Government intended to give to those young men who joined the mechanical side has not come up to our expectations. Young boys were selected by the Public Service Commission for training at Jamalpur for the superior services in the Transportation Branch of the Railways. The practice hitherto has been that those special apprentices who qualified themselves in the examinations were usually selected for further training in England. This year, Sir, I understand that out of the 12 qualified students only six are to be sent to England, and the other six, if my information is not wrong, are being given another year's training at Jamalpur.

THE HONOURABLE MR. MAHMOOD SUHRAWARDY: I think only four.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: I do not know whether this training will be at the personal cost of the apprentices concerned or of the Government, but I must say, Sir, that it will give a great setback to those students who turned their minds towards the mechanical department. I might mention to this House that I have been taking a keen interest in persuading the young men of good families to go into the mechanical department and those of my colleagues who have this experience will endorse me in what I say—that it was with great difficulty that we succeeded in our endeavours in this direction. Whenever we have raised any question in the Council that particularly in the mechanical branch of the Railways in the superior services there were no Indians the reply, I should say the stereotyped reply, has been that we cannot get trained men. Whenever we get trained men we will take them. Now when the qualified men are ready to take up such service, you say “No.” Sir, there is no justification for Government to give training to 12 boys and then to select six. I think, Sir, it has been a waste of public money to train many more boys than we require. Sir, that in case the Government of India really mean to give an impetus to the young men to turn to the mechanical side, they will, as they were doing before, send all these boys to England for training. I understand the High Commissioner is not prepared to take more than six apprentices. Sir, the High Commissioner should press all those firms concerned from whom he buys millions and millions of pounds worth of stores to yield to the Indian demand and I hope, Sir, the Honourable the Railway Member will be kind enough to see that this bent of mind of the Indians on the right side, that is of those who have taken a turn for the mechanical side should not be discouraged. In case there are not sufficient vacancies next year, some of them can be put on the waiting list as in the other superior establishments, and some of them can be absorbed by the Company-managed Railways and others by Company Railways. But, Sir, after giving special apprentices four years' training or five years' training to throw them overboard is not right.

Sir, another point that I want to raise is about the Indianization of the services. The Indianization of the services has been made in various departments but not in the spirit in which most of us wanted it to be. We want the services Indianized for the sake of economy, but the practice hitherto has been to replace a Rs. 2,000 man by a Rs. 2,000 man. We must, Sir, Indianize the services with a view to getting cheaper working. Sir, what

is the average salary of the driver ? The driver in the seniormost scale now, including his overtime, makes something like Rs. 600 a month. That is a very fat salary. So is the case with senior guards. So is the case with senior station masters. But, Sir, what I want is that when we have to make economies, the economy must come from all ranks. There is still room for retrenchment and particularly among the officers. I am glad, Sir, that the Railway Board has secured the services of Mr. Pope to go into the economy question. That is a step in the right direction. But, Sir, I would have been glad if there had been associated with Mr. Pope a railway expert from the Railways of the United States and Canada where the conditions are similar to India. In England, Sir, I do not think the longest length of any railway is more than 300 miles, and so, Sir, the conditions are not the same as they are in India. In case you start from Peshawar and go to Tuticorin I think we have to traverse some 3,000 miles. So, Sir, if an officer from a country where they have long lines of railways had been associated with Mr. Pope, I think better results would have been obtained. The Road Conference, Sir, is going soon to consider the question of lorry traffic *versus* railway traffic, and I hope, Sir, that in that Conference we shall have a full representation of the Members of the Legislature, of representatives from the Chambers of Commerce, and from various Trade Associations, so that the utility of that Conference may be increased and more useful advice be given to Government.

I will close my speech, Sir, with one remark about Indianization in the lower services of the mechanical line. As this Honourable House knows, I have been from time to time pressing the claims of the MacLagan College at Lahore. The Government of the Punjab, as you know, spent over a million rupees on the block of that College and for some time the product of that College was looked upon with discount. I understand, Sir, that at the instance of the Government of India or at the instance of the Institute, an Engineer Committee was appointed to go into the curriculum of the College and to report whether the product of that College was equivalent to the product of the Sibpur, Guindy and Poona Colleges, and if my information is not wrong I understand that now that College is up to the mark. And, Sir, that College produces two classes of students—one the senior class and the other the junior class. I find, Sir, as far as the junior class is concerned, the Railways' doors are closed to them since the last few years. That is also giving a setback to the enlistment of educated persons in the mechanical line. Sir, year after year people are being imported into India on covenant, chargemen, foremen, etc. Sir, fair trial ought to be given to educated young men in the mechanical line as they are very likely to prove more useful drivers and the maintenance cost of the engines and the rolling stock would thus go down.

With these remarks, Sir, I resume my seat.

THE HONOURABLE MR. VINAYAK VITHAL KALIKAR (Central Provinces : General) : I congratulate, Sir, the Honourable the Railway Member and the Honourable the Chief Commissioner for Railways on preparing a budget estimate for the coming year in a skilful manner. It is really unfortunate that an Indian Member should be faced with the difficulty of presenting a deficit Budget the first time he takes office as Commerce Member. I really fail to understand, Sir, whether really the Railway Administration want to carry on the Railways in a businesslike manner. If they really want to run the whole show in a businesslike manner, I fail to understand why the deficit that has been incurred on the maintenance of the strategic lines is being saddled on the Railways. I fully agree with my leader, the Honourable Lala Ram Saran Das, that the deficit on the strategic lines should not be charged to

[Mr. Vinayak Vithal Kalikar.]

the Railway Administration. If I understand rightly, Sir, the strategic lines are mainly maintained for military purposes and if this is so then the military budget should bear the loss and not the Railway Department. While going through the speeches of both the Honourable the Railway Member and the Honourable the Chief Commissioner, we notice that they anticipate in the future prosperous times. I wish their anticipations prove correct. But if they prove otherwise, in the present depleted condition of the Railway finances, they will not be able to survive if another two successive bad years have to be faced. The Reserve Fund has practically been wiped out and the Depreciation Fund holds a very small amount. If you are really to run the show in a businesslike manner you must keep these two funds intact. But what do we see? We do not see anything in the Reserve Fund and after the next year there will only be a balance of Rs. 13·71 crores in the Depreciation Fund. If we are again faced with depression in the next two years, the Railway Administration will not have anything to lay its hands upon, in the Depreciation Fund.

It is a matter of regret, Sir, that the recommendations of the Retrenchment Committee to hold an expert enquiry to curtail if possible expenditure in the administration of Railways has not been carried out. The Honourable the Chief Commissioner for Railways has stated in his speech that they could not get experts and therefore the recommendation could not be carried out. I am glad to note that they have imported Mr. Pope from England and that he is carrying out an enquiry in that connection. But if the recommendations of the Retrenchment Committee had been carried out last year, their report would have been of great use to Mr. Pope who would have been assisted in his work by their report.

My next complaint against the Railway Administration is about the purchase of stores. We all know, Sir, that there is already an Indian Stores Department of the Government of India and we desire that all departments of the Government of India should purchase their stores from that Department. If my information is right, I believe little is done by the Railway Administration in that direction. If the Railway Administration purchase their stores through the Indian Stores Department, they will be able to save a lot of expenditure and at the same time they will be able to get their stores much cheaper than they do now.

Then, Sir, from the speech of the Honourable the Chief Commissioner for Railways I find that no decision has been reached about the increase or decrease of rates and freights. I may point out that if you think of increasing the rates more, you are sure to lose in your earnings. I wish to tell the Railway authorities that if they really want to increase their earnings, they must decrease the present rates and fares. As my Honourable friend Rai Bahadur Lala Ram Saran Das has said just now, most of the traffic is diverted to lorries, because a passenger can get a seat in a lorry at a cheaper cost than on the railway. He has described in detail how the first class, second class and intermediate class traffic has been diverted. If the Railway Administration adopts a procedure of decreasing the rates and fares, I am sure they will gain much and the earnings will be much more than what they have been in the last two years.

I do not find any mention in both the speeches about the acquisition of Company-managed Railways whose period of lease will expire. We really expected some statement in that connection from the Railway Member. I hope that in his reply he will elucidate the point.

I think I need not take up the time of the House any more. I will, in the interests of the Railway Administration as well as of the taxpayers in general, appeal to the Railway Administration to run the show in a businesslike manner and to see their way to decrease the rates and fares on the traffic.

With these few words, Sir, I close my speech.

**THE HONOURABLE KHAN BAHADUR CHAUDRI MUHAMMAD DIN** (East Punjab : Muhammadan) : Sir, this is the third deficit Budget that we have got to deal with. Owing to the world-wide depression and the slump in trade during the current financial year the gross revenue has fallen short of what it was anticipated by Rs. 2·45 crores, while the working expenses show a slight increase on the estimates. The expectation that increase of rates and fares would result in additional revenue has not been realised. On the other hand, the increased rates have tended to discourage traffic and should, I think, be revised as early as possible. To increase the traffic, the week-end return tickets should also be introduced. On some Railway lines, such as the Bombay, Baroda and Central India Railway, ordinary return tickets are not allowed. They should follow the system adopted on the North Western Railway and other Railways. The transport rates on agricultural produce should also be reduced in the interests of trade.

In England I note that the railway companies arrange excursions at cheap rates. Any such concessions and facilities certainly encourage traffic and make railway travelling more popular. In England we also find that the railway staff are always helpful and courteous towards passengers and pay special attention to the requirements of the public. Some steps should be taken by the Railway Administration to train our railway staff also on the same lines. In spite of the depression we know that the Honourable Member in charge and the Chief Commissioner for Railways have done their best, and they must be congratulated on their careful handling of the statistics. With signs of improvement in trade, and as a result of the Ottawa Agreement I hope the next Railway Budget will be more encouraging.

**THE HONOURABLE MR. E. MILLER** (Bombay Chamber of Commerce) : Sir, I think the Honourable the Railway Member and the Chief Commissioner for Railways are to be congratulated on the able manner in which they have presented the Budget and much time and thought must have been spent by them and the other officials concerned in drawing up the various statements put before us. There are, however, a few items in connection with which I should like to offer a little criticism, and I am sure that the Honourable the Railway Member would be surprised and even disappointed if there were not considerable discussion during the course of today's proceedings.

My first comment is in regard to the decision to Budget on increased railway earnings during 1933-34. I am not a pessimist, in fact very much the reverse, but I can see no justification for this decision. It is merely a gamble, I admit possibly quite an intelligible gamble, but still a gamble and not one that any sound business concern should take. Surely the wisest course would be to anticipate at the most, that under normal conditions the coming year will be no worse than the last, for what is there to indicate that there will be an improvement. I cannot see anything myself, though personally I am all in favour of hoping that such will actually prove to be the case, but I would not budget on it.

That brings me to my second point which is that for the same reason I am not in favour this year of any restoration of the 10 per cent. cut. But I agree

[Mr. E. Miller.]

that as a decision in this connection has been made by the Government of India, it would be wrong and unfair to exclude the railway staff any more than any other section of our public services. I have therefore no criticism to offer in regard to this item in the Railway Budget. I would submit, however, that the scale increments should be held in abeyance until conditions justify such. If pay can be cut, so can increments be deferred, and I feel that no one in these difficult financial times could reasonably quarrel with such a decision.

It is satisfactory to note that no schemes are put forward for the construction of new lines, as in view of the recent Road-Rail enquiry it obviously would be wrong to embark on any new schemes until the most excellent report drawn up by Mr. Mitchell and Mr. Kirkness has received full consideration at the conference which it is proposed to hold in April, when, to quote the words of the Honourable Sir Guthrie Russell himself :

" it is hoped that as a result of these deliberations a well balanced policy will be formulated for correlating and developing the two forms of transport (road and rail) so as to give India the best and most economical transport system " .

There are two schemes, however, which I notice have been sanctioned that I question whether it is wise to put into operation. One is the remodelling work on the Madras and Southern Mahratta Railway for the commencement of which Rs. 11 lakhs is provided, i.e., the Salt Loco. Yard and the Hubli Station Yard, the total expenditure on which is estimated at Rs. 44 lakhs. I am all in favour of providing in good time for expansion of trade, but if it has been possible to cope with trade in the past with existing facilities, I submit that we can wait a year or two before we start providing for revival of trade even up to the old standard, quite apart from any further expansion that may be anticipated.

It also appears to me that work on the Dohad Workshops on the Bombay Baroda and Central India Railway and the Perambur Shops on the Southern Mahratta Railway for which Rs. 10 lakhs has been provided, might easily be deferred to a time when improvement in trade seems more certain. I realise that it may be possible to show that the early expenditure of these sums on the schemes proposed will actually result in either an immediate saving or an increase in revenue and if the Honourable the Railway Member can give us his assurance that this actually will be the case, then I shall be perfectly ready to withdraw my criticism in this connection.

I am in full agreement with the proposal to complete lines already begun and the renewal of essential bridges, etc., and therefore support all the proposals under this head.

These comments generally I think more or less cover the points I wish to make after perusal of the various statements during the somewhat limited time we have been allowed, and they are submitted with no desire to make unfriendly criticism but merely with the intention of trying to assist in passing a Budget which is in the best interests of the country as a whole.

THE HONOURABLE MR. MAHMOOD SUHRAWARDY (West Bengal : Muhammadan) : Sir, I beg to offer a few observations on the Railway Budget which was duly presented before this House by the Honourable Sir Guthrie Russell on Thursday last for discussion. The present Budget, Sir, is a dismal Budget in all conscience.



The revenues are dwindling every year but not so the expenses proportionately. The Government of India in their wisdom and sagacity have restored half of the cut in salaries of the Railway officials, although the deficit is growing from year to year. What is the use of calling the Railways a commercial concern if its Budget cannot be balanced properly and scientifically?

Sir, I am not so optimistic of the future expectations of enhanced revenues. I believe the Budget can be much improved if the present top-heavy administration can be thoroughly revised and overhauled. One can understand, Sir, why there were so many railway systems when the different Railways were mostly under private companies and managements and State Railways were few. But now most of the Railways are State-managed and I do not see why some of the Railway Administrations should not be amalgamated. Thus expenditure for overhead charges will be much reduced. People coming from Calcutta know that the East Indian and Eastern Bengal Railways have their distinct and separate head offices with duplicate staffs. The offices are situated at a stone's throw from each other. The Eastern Bengal Railway was for years a deficit concern, though lately it was improving. But I do not see any reason why it should not be amalgamated with the East Indian Railway. Now I should like to ask my Honourable friend Sir Guthrie Russell to compare the Eastern Bengal Railway, with its 800 miles of track, with the North Western Railway. Even if it is amalgamated with the East Indian Railway the total will be less than that of the North Western Railway. I challenge my friend on the Treasury Bench to answer. The joint concern will mean far less cost. Even the Railways Retrenchment Committee recommended and advised that the medical departments of these two Railways should be amalgamated.

Sir, I notice also that there is gross and systematic negligence on the part of the State Railways in the matter of Indianizing the higher posts. That has always been the point taken up by my Honourable friend Lala Ram Saran Das and other Members have also pressed it. The plea that suitable candidates were not available for the transport and mechanical departments does not hold good any more. If the Railway Board, Sir, sincerely desire to enlist qualified railway-trained Indians for high posts, there is no dearth of men now. Mussalmans are conspicuous by their absence in higher grades of offices. The small percentage of Muslims that is shown in the statistics consists of mere clerks and menials. If a percentage of pay is worked out, the Muslim percentage will be evident. Sir, the Bengal Muslims are still more rare and the percentage that is claimed for minorities also goes to the Punjab and the United Provinces Muslims. Sir, I earnestly press that consideration of Bengal Muslims in Railway services should be carefully gone into. Sir, I understand that a few high class apprentices that were trained at Jamalpur are not at all being sent to England for further training this year. The Railway Board has decided that there will be no room even for ten high class apprentices in the Railway system in the whole of India. These apprentices were paid stipends of Rs. 100 per month for the last four years and after expenditure of so much money, now four out of 10 such passed candidates are withheld from further studies in England. Well, Sir, I am right I hope, one of them is a Muslim boy who will be denied further studies and prospects of high railway service. India provides for lots of European engineers on fixed period of service who were imported to train up Indians, but their periods are extended times without number; while, on the other hand, it is said that there will be no room even

[Mr. Mahmood Suhrawardy.]

for 10 high class trained apprentices. Sir, in times of prosperity money was spent like water uneconomically. I notice that Rs. 200 crores were wasted during the last 10 or 12 years in constructing model stations or building new yards or doubling lines which are yielding no profits. The Indian taxpayer for the last 50 years spent enormous money for capital expenditure on Railways without any dividends or profits. I admit, Sir, that we are passing through hard times, but there is no reason why we should incur a deficit of Rs. 9 crores each year.

Lastly, Sir, I have grievances about the issue of railway passes, also of treating the elected non-official Members of the so-called Central Advisory Railway Council of this House with scant courtesy. But I reserve this matter for future discussion on the Finance Bill.

THE HONOURABLE DIWAN BAHADUR G. NARAYANASWAMI CHETTI (Madras : Non-Muhammadan) : Sir, I congratulate the Honourable the Commerce Member and the Chief Commissioner for Railways for the very able presentation of his Budget for the year 1933-34, a task that is none too easy even during normal times and one of exceptional difficulty during the unprecedented run of bad years that we are just now having.

The first impression that is created on me on hearing the Budget speech is the need and importance of a fuller appreciation of the nature of the present economic depression, which it is agreed on all hands, is the main cause for the sad state of our Railway Administrations today.

During the past year, there has been a further considerable all-round backsliding in Railway earnings. We, the representatives of the Madras Presidency, are having further anxieties due to the contraction of the market in Ceylon for South Indian rice and paddy, this being mainly due to competition with local produce. The importance of this commodity to South India can easily be gauged if it is realised that rice forms the staple produce of South India and that no less than about 15 per cent. of the South Indian Railway's total goods earnings are derived from paddy and rice alone. The public mind of South India is hence actively exercised over the question of lower rates for rice and arguments are adduced in plenty to support the view that the South Indian Railway rates for this commodity are comparatively high, high to an uneconomic extent, to an extent that would render the free export of and competition of South Indian paddy with the local production practically impossible. Discontent is rife over this question amongst the big landlords who have been exporting considerable quantities of this grain to Ceylon till lately, and who are unable to so carry on, on account of the high railway tariff. I do not want to take more time of the Council in quoting facts and figures on this subject since ample of these have already appeared in the press and elsewhere. I wish only to add that in view of the amount of public feeling on this matter, ways and means should be found for effecting a satisfactory compromise early, if nothing better is found possible.

Turning now to questions that affect the whole of India, we find that we have just received the report of the Road-Rail Committee. There has not been sufficient time for most of us to examine the report in detail but so far as could be seen it contains much valuable data and many useful suggestions which, it is hoped, will go a long way in solving the thorny question of road *versus* rail transport. We are also keenly watching today the investigations of the Railway Expert appointed by the Government of India in pursuance of the suggestions of the Railway Retrenchment Committee. In this connection

it appears to me that in view of the appointment of this Expert, most Railways have shelved the report of the Railway Retrenchment Committee, though a trial might profitably be given to many suggestions made in the report. To cite just a couple of instances, it has been suggested that greater encouragement to the staff to offer suggestions for the improvement of Railway working might profitably be given and that a larger number of efficient and qualified superintendents of sections be allowed to manage branches in the absence of officers on leave or otherwise.

In conclusion, I wish to add, as a member of the Local and Central Advisory Committee, that if these committees were charged in future with the administration of the funds set apart for the improvement of passenger comforts, real all-round benefits would accrue. This seems but logical, since it is the Advisory Committees which are at present expected to represent the needs of the public to the Administration and which are in consequence in the full know of the needs of the public. I would also mention in this connection that if meetings of the Central Advisory Committee are arranged more frequently than now, the Committee would more effectively serve the purpose for which it exists. As a matter of fact it is only an Advisory Committee. There are many things which could usefully be discussed and there are many things on which they could make useful suggestions. If this Committee is not to meet at all, there is no meaning in continuing the Committee and I think it is better to abolish it.

THE HONOURABLE MR. HOSSAIN IMAM (Bihar and Orissa : Muhammadan) : It is no good dilating on the gloomy and unsatisfactory nature of the Budget. It is quite apparent that the Commerce Department thinks that like the other departments of the Government it is more or less a philanthropic association whose work it is to get money out of the pockets of the taxpayers and spend it on their employees. For the last four years we have been running a commercial department at a loss, at an enormous loss, which amounts to nearly Rs. 60 crores, if we take into account the fact that our non-payment of a contribution to the general revenues ; which is not balanced by the paltry amount remaining to our credit in the Depreciation Fund, although as a matter of fact the Depreciation Fund is never meant to meet the requirements of the working expenses of a concern. I looked very carefully into the speech of the Honourable the Commerce Member with regard to the Depreciation Fund. Although I agree with him that the life of the assets is a little low and therefore the contribution to the Depreciation Fund could be reduced, there is another aspect which he has himself emphasised, that the Depreciation Fund in commercial concerns is usually based not on the actual cost, but the cost of replacement. If both these views are taken into consideration, I think our contribution to the Depreciation Fund falls a little short of what it really ought to be. I must congratulate my Honourable friend the Chief Commissioner for Railways and the Financial Commissioner for the beautiful way in which they have camouflaged the figures of working expenses. Apparently it seems that we have effected an economy of Rs. 6.24 crores in the period of four years. But the report of the Railway Board is more honest in this respect. In paragraph 19 on page 11 they say that a good deal of the saving represents expenditures postponed and not permanently reduced. When I compare the figures of Administration and Operation, which are the two departments which really represent the recurring expenditure on which reductions are permanent, I find that the figures are : Rs. 39.42 crores for the former and Rs. 35.54 for the new Budget, which means there is a saving of Rs. 3 crores and 58 lakhs instead of Rs. 6 crores and 24 lakhs that has been shown in the first page of the explanatory memorandum.

[Mr. Hossain Imam.]

The next feature which struck me was the actual outgoings of the Railways. Taking the working expenditure plus the interest charges, if we compare all the outgoings we find that all the savings have disappeared. There is actually no saving if all the costs are taken into consideration. What you save in one you spend on the other head, which shows that during the eight years of the separation of the Railway from the General Budget, gradual schemes of expansion which on paper promised to give handsome returns, in actual practice have greatly disappointed and enormously increased the original costs and have taken away the whole advantage of the separation. The Kangra Valley Project and its fiasco is still fresh in our minds. I was just comparing how the State-owned and State-managed Railways and the State-owned Railways managed by the Companies have fared in a fairly long period. I have taken the year 1923-24 as basic because it was the last year before the separation of the two. I wanted to compare the figures of other Railways but because the East Indian Railway and North Western Railway have been amalgamated and the Oudh and Rohilkhand Railway has been distributed between them, I could not get the actual figures. Therefore, I have taken the Eastern Bengal Railway as a characteristic Railway under State management. I found that the total outgoing expenditure on the Eastern Bengal Railway in 1923-24 was Rs. 5.58 crores, while this year after all the retrenchment has been effected, it is Rs. 6.33 crores—an increase of Rs. 75 lakhs, while the Madras and Southern Mahratta Railway which is a Company-managed Railway has actually effected a reduction in expenditure of Rs. 3 lakhs. It was Rs. 6.97 crores in the year 1923-24 and this year it is Rs. 6.94 crores. A Company-managed Railway has reduced its expenditure by Rs. 3 lakhs while a State-managed Railway has increased its expenditure by Rs. 75 lakhs, which works out to about 14 per cent. of its former outgoing expenditure. The fact that we have spent Rs. 171 crores in this eight-year period on building new lines and spending money on the lines opened has so far deteriorated our position, as far as our outgoings are concerned, that the interest rate per open line of mileage was Rs. 8,000 and some odd, while it is now Rs. 10,370 per mile, which gives us an additional cost of Rs. 3.58 crores on account of additional interest that we have got to pay, on account of increased cost of construction of new lines and money spent on open line work. A curious illustration of the way in which money was spent is submitted by the answer which our Chief Commissioner has given me today. The big railway engines were purchased because it was thought that the working expenditure would be less in fuel costs and they would be able to draw a bigger tonnage at a lesser cost; but the thing that was lost sight of was that many of our bridges and a number of our lines would have to be strengthened and a great deal of money spent on that account to make these engines work these lines. If the rumour is correct some of the Great Indian Peninsula Railway bridges are still to be strengthened, and it is only because there is not sufficient money available that these works have been postponed. As my Honourable Leader has pointed out just now, the number of wagons available and the lesser amount of work justifies the postponing of renewals of 2,500 which the Commerce Member has budgeted for. I would like to bring to his notice the fact that on page 30 of the Railway Board's report, it is given that the wagon mileage is now 31.5 against 36 in 1930-31. That is a greater difference than the difference of two per cent. that was pointed out by my Honourable colleague. This gives us a difference of about 12 per cent. in the actual amount of work that the wagons are doing now. This shows that the available supply of wagons is not sufficient to meet the needs of the Railway Department,

and it is only in order to stimulate the trade that the Government is starting on this scheme. During the war days we had deferred a great deal of our expenditure on replacements and if we now follow suit and reduce our replacement cost to the utmost, I think we would not be in any trouble as far as the supply of wagons goes.

I am glad that the Honourable the Commerce Member has promised that the Railway Department will have to see that no relaxation of the economic campaign is permitted but it remains to be seen whether it is done in actual practice or not. As a matter of fact, I was trying to take a long view of the way in which Indianization has been effected and it will come perhaps as news to the House that the number of Europeans and Anglo-Indians in the service of the Railways between the years 1923-24 and 1931-32 has decreased by only four. While in former years there were 18,064 Europeans and Anglo-Indians on the staff of the Railways, their number now is 18,060, which means a decrease of four in eight years. If the rate of progress is like that, you will take another 36,000 years for complete Indianization of the Railways! I wish to draw the attention of my Muhammadan friends especially to the fact that their number in the retrenchment campaign has been drastically reduced. While the number of non-Moslems on the staff of the Railways on the 31st March, 1931, was 608,884 after retrenchment, on the 31st March, 1932, their number has come down to 577,505, or a reduction of 36,000 and odd, giving a percentage of 4.65. In the case of Muhammadans, their number on 31st March, 1931, was 172,975, and on the 31st March, 1932, we came down to 157,714—a reduction of 15,261, which gives a percentage of 9.67. While the non-Moslems have been reduced by 4.65 per cent., the Moslem staff has been reduced by more than double that figure—by 9.67—

THE HONOURABLE MR. MAHMOOD SUHRAWARDY: Because we are in a minority!

THE HONOURABLE MR. HOSSAIN IMAM:—and this is done after all sorts of promises have been made on the floor of the other place that the Muhammadan interests are being especially guarded. The fact that Mr. Hasan's report has been lying with the Government from the 16th February, 1932, and that no action has been taken on it is ample proof how Government are free in giving promises and slow in fulfilling them.

Now, Sir, I was very surprised that the cuts in salaries should have been restored in a commercial department in the face of the almost bankrupt condition in which the department is working. I quite agree with the suggestion that has been thrown out by the Honourable Mr. Miller that if the Commerce Department cannot do away with the cut in salaries, at least they ought to stop the increments. I would suggest further for the consideration of the Commerce Department the fact that the Lee concessions were given to railway employees as a matter of pure concession. They were never meant for the Railways. They can at least utilise that. If they do away with that they will be able to save a little amount.

There is another point in the economic campaign to which I wish to draw the attention of the Commerce Department and that is about the Clearing Accounts Office. This has been agitated many times before. The Clearing Accounts Office could very well be dispensed with and if a quota is fixed on the Railways for a term of three or five years a sum of about Rs. 18 lakhs could be easily saved on unnecessary work which simply involves book adjustments. No money is brought in from outside. It is only an adjustment from one

[Mr. Hossain Imam.]

account to another account. Most of the Railways are Government property and if a quota is fixed Government will not lose a single pie although I admit that the figures for the different Railways will not be so accurate as they are now. But for the accuracy of figures an expenditure of Rs. 16 lakhs should not be incurred on a department which could very well be dispensed with. If we are going to incur a loss of Rs. 65 lakhs in the restoration of the cuts in salaries, it is up to Government to suggest something to make up that dead loss which we are going to suffer.

From the speech of the Honourable the Railway Member I find that in future Railway revenues are going to bear a share of the total cost of the management of specific Railway debt proportionate to the railway debentures or loans appropriated for specific railway purposes. That is a good scheme and is in accordance with the demand which I put forward in my budget speech last year. But it does not go far enough. The Railway Department, if they are not going to pay the contribution to the General revenues, must at least take full responsibility for the Sinking Fund arrangements that we are making for our loans proportionate to their quota of the debts. If this is done in place of the contribution to the Central Government, it will have two good effects. In the first place, the Sinking Fund operation will reduce the capital and thereby give us a slight decrease in the interest that we will have to pay every year, and in the second place, it will look more equitable than the Commerce Department's contribution to the General revenues. As a matter of fact, that contribution is more or less utilised for the purpose of the Sinking Fund operations but it looks hard on the Commerce Department that it should be called upon to pay it to the General revenues and it is hard for the General revenues to pay Sinking Fund charges for a Department which does not contribute for it. For instance, the annuities that we pay back ought at least to be included in the charges of the Commerce Department.

The last point that I wish to urge on the Railway Department is that they must disburden their mind of the thought that they are a Government Department. They ought to try and run the show on commercial lines and they ought to take a lesson, if possible, from Railways that are being managed by the Companies. It should not be said in the future that because Government were averse to terminating Company-management, they tried to show by their action that State-management does not pay. I want to save the Government from that aspersion that might be cast upon them later on, if they go on working in the present manner.

THE HONOURABLE SIR JOSEPH BHOORE (Member for Commerce and Railways) : Sir, before I begin, may I express my regret

1 P.M. that it has not been possible for me to have the benefit of your sage advice and sober criticism which have been enjoyed by so many of my predecessors for so many years ? But that regret is tempered by the knowledge that your experience is now available in a wider and more important sphere in the position which you now occupy.

Sir, the Budget figures which have been placed before the House tell the economic condition of the country in very clear and unmistakable terms. Coming as I do newly to a position of some anxiety, my outlook may perhaps be tinged with undue caution and care, but in present circumstances caution and care do not need any apology or elaborate justification. I would, however, Sir, ask Honourable Members not to lay too much stress on the darker side of the picture. Many Honourable Members have done so. The most dismal

of them was my friend Mr. Suhrawardy. But I would ask them to look for the more re-assuring signs which I believe can be found if they are sought for. Looking beyond the ostensible deficits and having regard to the searching test which has been imposed upon Indian Railways by economic conditions, the one fact that seems to me to stand out above all others is the fact that the financial position of the Railways of India is eminently sound. It seems to me that that position is not surpassed, I should say hardly equalled, by that of any other railway of a comparable character in any part of the world in present conditions and in existing circumstances. In order, Sir, to substantiate that contention, I would like to present to the House the salient figures of the Budget for the current year which seem to me to reflect the intrinsic position. Now, taking account of commercial lines alone, our revised Budget estimates of receipts for the current year amount to Rs. 85·20 crores. We estimate our working expenses at Rs. 47·62 crores. Our interest charges amount to Rs. 31·47 crores. If we provided from revenue for all renewals and replacements during the year not chargeable to capital, it would cost us another Rs. 5·40 crores, and with a further miscellaneous expenditure of Rs. 12 lakhs this would make a total expenditure of Rs. 84·61 crores, as against receipts of Rs. 85·20. There would thus be a small surplus of Rs. 59 lakhs if it were not for the fact that we have to contribute to the Depreciation Fund far more than we spend on current renewals and replacements. Now that result, Sir, despite the fact that we are paying interest charges of Rs. 31·47 crores on a capital of about Rs. 750 crores at the rate of over four per cent. is I submit conclusive proof of the contention which I have advanced today. My Honourable friend Mr. Miller, I am glad to say, was not disposed to criticise us for not embarking on a policy of extended capital construction. I am grateful to him for this, because I had noticed in many quarters a disposition to criticise us for the policy which we have adopted. I think perhaps I ought to say a few words on this matter, since it is of considerable importance. It has found a place in the speech of His Excellency the Viceroy at the opening of the Legislative Assembly. We recognize to the full the advantages which would accrue to the Railways if cheap money could be used for further capital expenditure, and we also recognize the advantage which would accrue to the connected industries if a larger programme of capital works could provide them with more extended orders in this period of stagnation. But there are considerations, and serious considerations, of which the fullest account must be taken on the other side. We must be careful not to embark on any extended capital programme unless we are absolutely certain that the capital outlay is going to be an economic investment, or unless it is absolutely essential in the country's interest. We have very carefully considered this matter, and we came to the conclusion that, having regard to the data in our possession, we were not justified in embarking on a more extended programme than we have provided for in the coming year. There are just one or two features of that programme which I should like to take an opportunity of referring to. As the House must be aware, we have kept a close eye upon our wagon position and we are providing very nearly Rs. 1 crore for the provision of 2,500 new wagons. That, Sir, has been criticised by my Honourable friend Lala Ram Saran Das and by my Honourable friend Mr. Hussain Imam. Now, what I do want to make clear is that these are not premature replacements. They are necessary to ensure that our wagon standard is kept at an economic level. These new wagons are intended to enable us to meet any calls of an unexpected nature in the way of a revival of trade which may be made upon us during the coming year or in the near future, and they are intended to replace wagons which it is at the present moment definitely uneconomic to run,

[Sir Joseph Bhoze.]

which in fact cost us far more than they are really worth to us. Then, Sir, in the case of the remodelling of certain stations and certain station yards, my Honourable friend Mr. Miller suggested that expenditure under this head could be postponed. I may assure him that it is not the fact that money is available at cheap rates that has induced us to embark on these projects. I realize that in order to justify these works we must be satisfied that they are economic investments, and we have so satisfied ourselves. In both the cases to which he referred we have come to the conclusion that it would be a definite saving to undertake the work which we are now embarking upon.

My Honourable friend Lala Ram Saran Das raised what was I think an old question in putting forward his objections to the continuance of the enhanced fares and freights. His position was that reductions in freights and fares would result in increased traffic. Now I will concede that on a *priori* grounds my Honourable friend may have a certain amount of force behind him in that contention. I myself would be prepared to concede that theoretically at least a reduction in fares is likely to result in an increase in traffic. But my difficulty is a practical one. The protagonists of that theory are in the first place not able to tell us what particular decrease in rates will result in what particular increase in traffic. Then, Sir, it is not sufficient that there should be merely an increase in traffic. Increased traffic very often means, and in some cases necessarily means, an increase in working expenses. We must therefore be certain that the increase in traffic will cover not merely the contingent increase in working expenses but will also cover the loss which will result from the decrease in the rates on the traffic carried at present. Now, Sir, a forecast on these matters it is almost impossible to make with any accuracy and we can take no risks in regard to the future. Like all economic generalisations, this one is *prima facie* attractive, but the difficulty comes in when you proceed to give practical application to them; I can however assure my Honourable friend that this is a matter which is constantly under the review of the Railway Department. It is a matter of vital concern to them for they have to see that they do not go below the point of diminishing returns. Then, Sir, the question of the effect of railway rates on industry is a matter which I do not think I should be justified in dealing with in any detail. It is a perfectly justifiable proposition to contend that railway freights should be regulated in order to assist industries; but, Sir, so long as Railways are required to be run on commercial lines it is not open to the Government to say that you shall quote certain preferential rates for certain commodities when those rates are in the opinion of our Railway experts not economic rates.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: Why is that done in the case of the Army Department?

THE HONOURABLE SIR JOSEPH BHOZE: I shall be coming to that presently. The only point I would make is this, that if the management of Railways is to be carried on on commercial lines, then, Sir, Government must assist industries in some other way. Here is one method. It is open to them—and in fact it has been done if my memory serves me correctly in the case of the Punjab Government—to make themselves responsible for the difference between the preferential rate and the economic rate on certain commodities; but I think my Honourable friend Lala Ram Saran Das is too clear-headed a business man not to agree that I am perfectly reasonable in my view when I say that you cannot ask me to pay Rs. 31·47 crores as interest on the capital



at charge of the Railways as a first charge and at the same time turn round to me and say that you shall adopt certain rates in respect of certain commodities which in our view makes it impossible for us to earn and pay that rate of interest.

My Honourable friend, Lala Ram Saran Das, referred to the question of preferential treatment of the Army Department. I think that is a point which he has made on more occasions than one in this House. I admire his persistence, but may I draw his attention to what my predecessor said, I think it was last year or the year before. He said it is sometimes wise to let sleeping dogs lie, because you never know if you make certain demands in one direction whether other demands may not be made against you in other directions and your second state may be worse than the first. At the same time I can give my Honourable friend this consolation that I am looking carefully into the matter. Then, Sir, my Honourable friend referred to the mechanical apprentices at Jamalpur. He was slightly wrong in his figures. The question does not affect 12, it affects only 10 individuals at the present moment. But I can say to him that this matter has not come within my official cognizance as yet and I give him the assurance that I shall look personally into it. (Applause.)

Then, Sir, my Honourable friend Mr. Kalikar said that he expected some statement about the future acquisition of Company lines. Well, as the next occasion on which a decision would have to be taken will not occur before the year 1937, may I suggest to him that he is a little premature in his expectation? He also suggested that had we appointed the expert committee, the expert committee would have been of great assistance to Mr. Pope. May I suggest to him that this is placing the cart before the horse. Our idea is that Mr. Pope should make the preliminary investigation and when the data we want are available it should be worked on by the expert committee which we hope to get this next cold weather.

Reference has been made in regard to our action in restoring half the cut. Now, Sir, I dealt with that matter in presenting the Budget in another place and there is nothing more that I have to say in regard to it except to emphasise one point and that is this, that coincident with the removal of half the cut we have taken away the income-tax and super-tax privileges which existed during the current year.

THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS: That was not Railway income.

THE HONOURABLE SIR JOSEPH BHOORE: Yes, Sir, because the Railways were responsible for making a contribution to General revenues to that extent and we shall now be relieved of that contribution. The result will be a graduated scale of salary deductions. In fact I may say that my Honourable friend the Chief Commissioner for Railways will possibly be only Rs. 25 or 30 per month better off.

THE HONOURABLE MR. H. M. MEHTA (Bombay: Non-Muhammadian): I am very happy to say that the higher officers will lose, but the lower officials will gain to the tune of  $3\frac{1}{2}$  per cent. In the case of monthly salary of Rs. 1,275, it will mean a gain of 1·30 and those earning more than Rs. 3,000 and over will lose by ·80.

THE HONOURABLE SIR JOSEPH BHOORE: I think my friend is probably right.

**THE HONOURABLE MR. H. M. MEHTA :** I worked it on the insurance basis of underwriting.

**THE HONOURABLE SIR JOSEPH BHORE :** I am very much obliged to him for the information and I am sure the House generally will be.

**THE HONOURABLE MR. E. MILLER :** What about increments ?

**THE HONOURABLE SIR JOSEPH BHORE :** I am not prepared to make any pronouncement about increments, because that is a matter of much more general application and no action can be taken in regard to the Railways which is not equally applicable to all the general services.

It is a little difficult for me to roam over the debate which has raised so many individual points. I have endeavoured to pick out what seemed to me some at any rate of the most important. But I would like to say this. I would like to give the House a personal assurance that I in common with others who are responsible for the administration of the Railways of India not merely do not resent criticism but welcome it. And if I have not been able to refer to every single point that has been raised in the course of the debate today it is due largely to the fact that I have had as yet not that personal touch with all administrative matters pertaining to the Railways which is necessary to enable me to reply off-hand to any criticism and comment that may be made, but I can assure Honourable Members that everything that has been said today will be examined and considered with the greatest care.

**THE HONOURABLE RAI BAHADUR LALA RAM SARAN DAS :** What about the surcharge on coal ?

**THE HONOURABLE SIR JOSEPH BHORE :** I am not prepared, Sir, to deal with that separately from the general question of the effect of railway rates and freights on industries. And in regard to that, Sir, I have already stated what my general views are. I would assure the House that all responsible railwaymen do regard themselves as in a very special manner the servants of the public. They realise that it behoves them to render service which will be free of all cause of complaint or criticism. We realise that a trust of the greatest magnitude has been committed to our charge. We realise that mistakes and errors may have been made in the past. We realise our own fallibility and the ease with which we ourselves may also fall into like errors but we do say that despite the errors and mistakes that have been made, the administration in the past has left our Railways in a position of undeniable soundness and strength. (Applause.)

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The Council then adjourned till Eleven of the Clock on Monday, the 20th February, 1933.