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THE
LEGISLATIVE ASSEMBLY DEBATES
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(12th March to 25th March, 1931)

FIRST SESSION
OF THE
FOURTH LEGISLATIVE ASSEMBLY,
1931



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Legislative Assembly.

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LEGISLATIVE ASSEMBLY.

Monday, 23rd March, 1931.

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

MEMBER SWORN:

Lieut.-Colonel H. A. J. Gidney, M.L.A. (Nominated Non-Official).

QUESTIONS AND ANSWERS.

CANCELLATION OF PASSPORT GRANTED TO REV. U OTTAMA.

1068. ***U Tun Aung:** Will Government be pleased to state:

- (a) whether it is a fact that the passport granted to the Rev. U Ottama, the well-known Burmese monk, has been cancelled;
- (b) if so, what are the reasons for doing so; and
- (c) whether this Government were consulted by the Burma Government before the said cancellation was made?

The Honourable Sir James Orerar: (a) Yes.

(b) Having regard to his activities when he was last abroad, it was considered undesirable that he should retain a passport.

(c) No, but the Government of India approved of the action taken.

U Tun Aung: Has any opportunity been given to Rev. U Ottama to explain any charges made against him?

The Honourable Sir James Orerar: I think that the gentleman in question is perfectly well aware of the reasons for which action has been taken against him.

Mr. Gaya Prasad Singh: May I know the nature of the activities in which the gentleman was engaged, which has prompted Government to take action against him?

The Honourable Sir James Orerar: The gentleman referred to, when he was last absent from India, was engaged in, or associated himself with, revolutionary activities in the Far East.

Mr. Gaya Prasad Singh: If there was sufficient evidence against him, why was he not put on trial?

The Honourable Sir James Orerar: I do not think that that arises on a question with regard to the withholding of a passport.

Mr. K. Ahmed: What are the reasons for which the passport has not been granted? Is there anything at all against him?

The Honourable Sir James Orerar: I am afraid I did not quite catch the Honourable Member's question.

Mr. K. Ahmed: Will the Honourable Member appreciate the question what are the reasons which disentitle a man to his right to claim a passport to go from place to place? What is the justification of Government in this case to withhold the passport?

The Honourable Sir James Orerar: I must refer the Honourable Member to the passport rules.

Diwan Bahadur T. Rangachariar: May I ask, does this gentleman advocate or oppose separation of Burma?

The Honourable Sir James Orerar: I understand that he is an opponent of separation. But I may add that that has nothing to do with the action taken in this case.

Diwan Bahadur A. Ramaswami Mudaliar: Has any opportunity been given to this gentleman to find out whether, even if he carried out those activities in the past, he is also, in his present mission to Europe, going to carry out the same activities? Or has he been asked whether he will refrain from such activities in his present trip?

The Honourable Sir James Orerar: I have no precise information on the point, but I will only say this that the Government of India examined the case very carefully and came to the conclusion that the action taken by the Government of Burma was justified.

Diwan Bahadur T. Rangachariar: May I ask, if this gentleman is engaged in advocating revolutionary activities, is it not safer to send him to England? (Laughter.)

The Honourable Sir James Orerar: I think that that is rather a dubious proposition.

Mr. B. Das: May I enquire whether the Government will withhold a passport to Rev. U Ottama if he becomes a member of the Congress Delegation to the Round Table Conference?

The Honourable Sir James Orerar: That is a hypothetical question.

Mr. Gaya Prasad Singh: May I know why this gentleman wanted to have a passport to go to Europe? On what grounds did he apply for a passport to go to Europe?

The Honourable Sir James Orerar: I must have notice of that question.

Diwan Bahadur A. Ramaswami Mudaliar: Are Government prepared to consider the question of granting him a passport if it is confined only to Great Britain?

The Honourable Sir James Orerar: No, Sir.

Mr. Gaya Prasad Singh: Are Government aware that the refusal of a passport to Rev. U Ottama creates a suspicion in the minds of the public that because he is connected with the anti-separatist activities, his passport has been refused?

The Honourable Sir James Orerar: I can assure the Honourable Member that that has nothing to do with the action at present taken, and I hope that that statement will remove any suspicion that there may be on the point.

U Tun Aung: How long has Rev. U Ottama held the passport which has been now cancelled?

The Honourable Sir James Orerar: Will the Honourable Member kindly repeat the question?

U Tun Aung: How long has Rev. Ottama held this passport which has been cancelled?

The Honourable Sir James Orerar: I must have notice of that question.

TRANSFERS IN THE POSTAL DEPARTMENT.

1069. ***Mr. Muhammad Anwar-ul-Azim:** (a) Will Government be pleased to say whether the posts of an Inspector, Postal or Railway Mail Service and of a clerk or sorter in the lowest selection grade of Rs. 160—10—250 are equal in accordance with the principles laid down in Post Office Manuals and Fundamental Rules?

(b) Is it a fact that in accordance with the rules prescribed in the Collection of Inspection Report Forms an Inspector is required to certify on the work and conduct of the official in charge of an office or section under the control of the Inspector?

(c) If the replies to part (a) be in the negative, will Government be pleased to state whether inter-transfers of officials not holding equal posts can be allowed or are allowed in the Postal Department?

(d) If the reply to part (b) is in the affirmative, will Government be pleased to state whether the official who is competent to certify on the work and conduct of another official is superior to the latter? If so, will Government be pleased to state whether interchangeability of two unequal posts is permissible? If so, under what circumstances?

(e) Will Government be pleased to state if any public interest or administrative purposes are served by such interchanges of posts? If so, will Government be pleased to state what are those interests or purposes for which inter-changes of unequal posts are required?

(f) Will Government be pleased to state whether the aforesaid transfers were made prior to 1928? If so, how many transfers were made in each of the nine Postal and Railway Mail Service circles in India? If not, why is such a change now considered necessary?

(g) Will Government be pleased to lay on the table the number of aforesaid transfers in the whole of India which took place since February, 1928 and will Government please state the specific public interest or administrative purposes served on each of such transfers?

Mr. H. A. Sams: (a) The two classes of posts are on the same scale of pay. It is not understood what principles the Honourable Member has in mind.

(b) Yes.

(c) Does not arise in view of the reply to (a) above.

(d) The reply to the first part is in the negative. The second and third parts do not arise.

(e) to (g). Do not arise in view of the reply to the second part of (d) above.

I may add that I will look into the principles underlying the practice referred to in the Honourable Member's question.

INSPECTORS OF RAILWAY MAIL SERVICE REQUIRED TO TRAVEL IN MAIL VANS.

1070. *Mr. Muhammad Anwar-ul-Azim: Will Government be pleased to state:

- (a) whether it is a fact that the Inspectors of Post Offices are not required to travel in mail vans for performance of journeys in connection with duty outside the train;
- (b) whether it is a fact that the Inspectors of the Railway Mail Service are required to travel in the mail van simply for the performance of journeys for taking up duty outside the train after reaching destination; and
- (c) if the replies to both the above parts are in the affirmative, what are the reasons for such differential treatment amongst the same class of officers?

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

(b) Yes, usually; but in special circumstances a Railway Mail Service Inspector is not required to travel in the mail van.

(c) The reason is that the Postal Inspector is not ordinarily concerned with the work in the mail van, while the Railway Mail Service Inspector usually is concerned with such work.

INSPECTORS OF RAILWAY MAIL SERVICE REQUIRED TO TRAVEL IN MAIL VANS.

1071. *Mr. Muhammad Anwar-ul-Azim: (a) Are Government aware of the difficulties and troubles of the Inspectors of the Railway Mail Service, who are required to travel in the mail van for simple performance of journeys quite unconnected with train duties, e.g., conveyance of special bags, investigations, etc.?

(b) Do Government propose the restoration of card passes or sanction the purchase of tickets in cases where an Inspector is required to perform a long journey such as from Simla to Delhi and in some cases to take up duties at the destination at once?

Mr. H. A. Sams: (a) Inspectors of Railway Mail Service conveying special bags and conducting investigations are not ordinarily required to travel in the mail van.

(b) Inspectors of Railway Mail Service are already permitted to purchase tickets in special circumstances.

SUBMISSION OF WEEKLY DIARIES BY SUB-DIVISIONAL TOWN INSPECTORS OF POST OFFICES.

1072. *Mr. Muhammad Anwar-ul-Azim: (a) Is it a fact that the Inspectors of Post Offices and the Railway Mail Service in charge of Sub-Divisions are required to submit weekly diaries?

(b) If so, will Government be pleased to state why the same procedure is not prescribed in the case of Sub-Divisional Town Inspectors?

(c) Will Government be pleased to state the expenditure incurred in printing and stationery for 26,520 copies of such diaries consumed annually in excess? Do Government propose to save this expenditure by converting the daily diary into a weekly one?

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

(b) Because Government do not consider it necessary.

(c) The cost of 26,520 copies of the Town Inspectors' diary form is approximately Rs. 140. Government do not propose to convert this diary into a weekly one.

PROMOTIONS IN THE SECRETARIAT AND ATTACHED OFFICES.

1073. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Kunwar Raghubir Singh): Is it a fact that some persons holding permanent posts in the Second Division of the Secretariat are qualified also for the First Division of Attached Offices as a result of the examination held by the Staff Selection Board in 1922, and that the latter were required to secure a higher percentage of marks? If so, will those qualified for the First Division of Attached Offices be given reasonable preference over persons qualified simply for the Second Division, in the matter of promotions to be made hereafter under rules introduced by the Home Department in their office memorandum dated the 18th February, 1931?

The Honourable Sir James Orerar: Persons who have passed for the II Division of the Secretariat and also for I Division Attached Offices are regarded as being better qualified than those who have passed for II Division Secretariat for initial appointment in Attached Offices only; but once they have entered the Secretariat or Attached Offices their further promotion is regulated by merit and capacity.

SEPARATION OF EXECUTIVE AND JUDICIAL FUNCTIONS.

1074. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Kunwar Raghubir Singh): Will Government be pleased to state if they have come to any conclusion in regard to the separation of executive from judicial functions?

The Honourable Sir James Orerar: The Honourable Member is referred to my answers to Rai Bahadur Sukhraj Rai's starred question No. 770 on the 2nd instant and to the supplementary questions.

Mr. K. Ahmed: In view of the fact that in the year 1923 a Resolution was moved by Mr. Mukherjee in this Assembly and it was passed by this House, that the separation of the judicial from executive functions should be effected as soon as possible, and in view of the fact that the Government have again and again promised to look into the matter, and give effect to it, but trouble has been created by the Department of the Honourable Member and the Round Table Conference is involved in solving the difficulties—does the Honourable Member realise that his Department has done a great disservice to the country and also to the Government? (Laughter.) (Hear, Hear.)

The Honourable Sir James Orerar: No.

Mr. K. Ahmed: Will the Honourable Member when he has answered the question in the affirmative (Laughter.)

Some Honourable Members: In the negative.

The Honourable Sir James Orerar: If the Honourable Member will frame his question in a form in which I can reply in the affirmative, I shall be very glad.

Mr. K. Ahmed: In view of the fact that the Honourable Member has answered the question in the negative, would he be pleased to give any reasons for the same, so that Honourable Members may appreciate that his answer is based on reasons and not otherwise? (Laughter.)

(No answer.)

Mr. K. Ahmed: In view of the fact that the Honourable Member has got no answer (Laughter), and in view of the fact that it is bringing difficulties after difficulties to His Majesty's Government in India, will he explain why this trouble has been brought about in this country, especially as the separation of judicial and executive functions has been demanded by the people and accepted by the Government, and since then eight years have passed without any action and there has been a squandering of the revenues of the country which has hard hit the Chancellor of the Exchequer in India?

The Honourable Sir James Orerar: I think if the Honourable Member will examine the references which I have given he will find an answer to his questions so far as they are relevant to the issue.

Mr. K. Ahmed: How can the Honourable Member say that, in view of the various statements made in this House and the Resolution which was carried on the floor of the Assembly 8 years ago, and they are yet shilly shallying for the last 8 years?

DIFFICULTIES OF SUBORDINATE RAILWAY EMPLOYEES.

1075. ***Kunwar Hajee Ismail Ali Khan** (on behalf of Kunwar Raghubir Singh): (a) Are Government aware of the difficulties of the subordinate railway employees in the matter of leave, quarters and the education of their children?

(b) Are they prepared to redress them?

Mr. A. A. L. Parsons: (a) and (b). With regard to leave Government are aware that the main difficulty experienced by certain classes of subordinate employees on State-managed railways arises from the inadequacy of the leave reserves while on some Company-managed railways the chief complaint is in regard to racial discrimination. The question of removing these difficulties is under active consideration.

Government are aware of the paucity of quarters for subordinate railway employees and steps have been taken during the last few years to build more quarters as funds permit.

On the subject of education of the children of railway employees Government have, with the concurrence of the Central Advisory Council, issued provisional rules pending the report of an officer of the Education Department placed on special duty to investigate certain questions on which further information is necessary before a final scheme can be advised.

IMPROVEMENT IN QUALITY OF GUR.

1076. ***Mr. Uppi Sahab Bahadur:** Will Government be pleased to state:

- (a) whether Government are aware that *gur* contains greater food value than sugar;
- (b) whether Government are aware that the average villager prefers *gur* to sugar;
- (c) if the answers to the above are in the affirmative, whether Government are taking or intend to take any action to improve the quality of *gur* manufactured in this country; if so, what;
- (d) whether Government are taking or propose to take any action to discourage consumption of sugar especially in the villages; if so, what? If not, why not?

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: (a) No.

(b) That is probably so at present.

(c) Steps are being taken both by the Central and Provincial Governments to improve the efficiency of *gur* manufacture. The Imperial Council of Agricultural Research has given grants for experiments in cane crushing with small power crushers. With the object of securing greater economy in fuel and reducing the destruction of sugar during boiling the Council is also financing tests with improved *gur* boiling plant.

(d) No, as the consumption of sugar is a matter of individual taste.

Mr. Uppi Sahab Bahadur: May I know whether these grants were given to the Government Departments or to the individuals?

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: I cannot say without notice whether it is given to Government Departments or individuals.

APPOINTMENT OF MUSLIM JUDGES.

1077. ***Mr. Uppi Sahab Bahadur:** (a) Will Government be pleased to lay on the table a statement showing the number of Muhammadan, Hindu, Christian and European Judges in all the different High Courts of India?

(b) Is it not a fact that in some provinces the representation of Muslim Judges is practically zero?

(c) Will Government be pleased to state the reason why the Muslim representation is so low?

(d) What qualifications are required for the post of a High Court judgeship?

The Honourable Sir James Orerar: (a) and (b). The information is contained in the statement which I lay upon the table.

(c) As stated by Government on several previous occasions, permanent appointments to the High Courts are made by His Majesty under section 101 of the Government of India Act. The main criterion in filling up vacancies is necessarily that of legal qualification, subject to which the claims of Muslim candidates receive most careful consideration.

(d) The qualifications are laid down in section 101 of the Government of India Act.

Statement showing the present strength of High Courts, Chief Court, Oudh and Judicial Commissioners' Courts.

Province.	Muslims.	Hindus.	Indian Christians.	Europeans.
HIGH COURTS.				
Madras (14) . . . .	..	6	..	8
Bombay (10 + 1 Additional)	1	3 + 1 Parsi.	..	6
Calcutta (15 + 1 Additional)	2 including one appointed acting Judge.	6	..	8
Allahabad (9 + 3 Additional).	2	3	..	7
Lahore (9 + 5 Additional).	2	4	1	7
Patna (9 + 2 Additional) .	2	3		6
Rangoon (11) . . . .	..	2 + 2 Burmans.		7
CHIEF COURT.				
Oudh (5)	2	1 + 1 Parsi.		1
JUDICIAL COMMISSIONERS' COURTS.				
Central Provinces (5) . . . .	..	2	..	3
N. W. F. Province (2)	1	..		1
Sind (4)	1	1	..	2

Sir Hari Singh Gour: May I ask whether the Government regard the High Courts as representative institutions?

The Honourable Sir James Orerar: No, Sir.

Sir Hari Singh Gour: In that case, why did not the Honourable Member deal with these cases upon that broad basis?

The Honourable Sir James Orerar: I think, Sir, that I have done so.

APPOINTMENT OF MUSLIM JUDGES.

1078. ***Mr. Uppi Sahab Bahadur:** (a) Will Government be pleased to lay on the table a statement showing the number of posts of High Court Judges fallen vacant in various provinces since 1921 and filled in by Muhammadans, Hindus, Christians and Europeans in different provinces both officiating and permanent?

(b) Will Government be pleased to lay on the table a statement showing the number of Muhammadan, Hindu, Christian and European officials appointed as Judges of the different High Courts since 1921?

(c) Is it a fact that in some High Courts no Muhammadan official has ever been appointed as Judge, if so, where and why?

(d) If the answer to above be in the affirmative, are Government prepared to recommend the advisability of appointing qualified Muhammadan officials, if and when any vacancy occurs?

The Honourable Sir James Orerar: (a) and (b). I will obtain the information and communicate it to the Honourable Member on receipt.

APPOINTMENT OF MUSLIM JUDGES.

1079. *Mr. Uppi Sahab Bahadur: Will Government be pleased to state:-

(a) whether Government received appeals from Mussalmans of the Madras Presidency repeatedly requesting, since 1917, the appointment of a Mussalman Judge in the High Court of Madras;

(b) if so, why no Mussalman from the Presidency or from outside has till now been appointed?

The Honourable Sir James Orerar: (a) Representations have been received from time to time.

(b) The Honourable Member is referred to the answer just given to part (c) of his question No. 1077.

APPOINTMENT OF MUSLIMS IN THE OFFICE OF THE DIRECTOR OF CIVIL AVIATION.

1080. *Mr. Uppi Sahab Bahadur: Will Government be pleased to state:

(a) when the office of the Director of Civil Aviation came into existence and what was the strength of the staff then;

(b) what is the present permanent strength of establishment in that office and how many of these are Christians, Hindus and Muslims;

(c) who has appointed all these men, whether the Public Works Branch or the Industries Branch and when;

(d) whether a copy of the Home Department's first orders regarding communal representation was then in the possession of the Branches who made these appointments;

(e) if so, what should be the percentage of the Muslims on the present strength of that office according to the standing orders of the Home Department regarding communal representation;

(f) whether the question of the Muslim percentage was ever considered in that office; if so, why it is so poor;

(g) who is responsible in failing to comply with the orders of the Home Department and what action, if any, will be taken against him;

- (h) whether Mr. Z. H. Burni was appointed in the Upper Division in that office on a communal basis; if so, why on his transfer a non-Muslim has not been taken; and
- (i) whether the Home Department have taken any action against those who ignored their orders; if not, why not?

Mr. J. A. Shillidy: (a) The office of the Director of Civil Aviation was constituted in January 1927, and the sanctioned strength then was 1 Superintendent, 2 Assistants, 2 clerks and 1 stenographer.

(b) The present permanent strength of that office is 2 Superintendents, 5 assistants, 5 clerks and 1 stenographer. The distribution is as follows:

Hindus 9, Europeans and Anglo-Indians 3, Muslim 1.

(c) A few appointments were made by the Public Works Branch on the creation of the office, and subsequent appointments have been made by the Director of Civil Aviation.

(d) Yes.

(e) No specific percentage has been laid down in respect of Muslims.

(f) In making the appointments, due consideration was given to the claims of qualified members of minority communities, but the poor representation of Muslims is due to the paucity of applications from qualified members of that community.

(g) Does not arise.

(h) Mr. Burney was appointed because he was considered suitable and because he was a member of a minority community. On his vacating the post another member of a minority community was appointed. I may mention there was no suitable Muslim amongst the other applicants for the post.

(i) Does not arise.

Mr. K. Ahmed: If a graduate Muslim is a candidate and a non-Muslim graduate is also a candidate and the Muslim is supposed to be suitable in view of the percentage of one-third as it was declared by Lord Reading, and up till now that has not been displaced by any other Viceroy, will not the Government appoint that poor Muslim if he is a deserving graduate candidate?

Mr. J. A. Shillidy: I am not sure that I understand the question. I think the answer is probably in the negative.

Mr. K. Ahmed: Do I understand the Honourable Member to say that, if the Muslim is a suitable candidate, he will appoint him, or did he say that a Muslim candidate duly qualified was not found?

Mr. J. A. Shillidy: I should be glad if the Honourable Member will reduce his question to writing.

Mr. K. Ahmed: This is not plain sailing, I am afraid. I am putting the question according to the rules of Parliament and if the Honourable Member is unfit to answer that question, he cannot expect me to write that question, so that his clerks may prepare an answer for him to read out here. He is drawing Rs. 4,000 per month. It is his duty, Mr. President, to answer the questions I am asking here.

Mr. President: I do not think the Honourable Member is justified in asking another Honourable Member to write down his supplementary question.

Mr. J. A. Shillidy: I should be glad to answer them if I understood them. I am not able to understand the Honourable Member's question.

Mr. President: The Honourable Member may ask that the question may be repeated or that it may be put in a form which may be intelligible to him before he replies. My only objection is that the Honourable Member could not ask the Honourable Member putting supplementary questions to put them down in writing.

Mr. K. Ahmed: May I ask if a qualified Muhammadan candidate is available and also a qualified non-Muslim candidate will he take the Muslim candidate in view of the declaration made by Lord Reading that Muslims will by no means hereafter be less than 33 per cent. in Government services? But if it is otherwise, will he be good enough to explain the situation?

Mr. J. A. Shillidy: I am afraid I cannot explain a situation, which I have not yet understood, Sir.

Mr. K. Ahmed: Are Government aware that so many volumes of the Calcutta University Calendar alone will show that there is no dearth of Muhammadan candidates available—and they are candidates for appointments—and still the Honourable Member's Department do not find them suitable for appointment to petty clerkships on Rs. 30, or Rs. 80 or Rs. 100 a month? If he says that his answer is in the affirmative, will he take further steps to remove the difficulties of the Government and the distressed condition in which they are carrying on the business in this country, or otherwise take sufficient steps to appoint suitable Muslim candidates to help in the Government?

Maulvi Muhammad Yakub: May I ask what efforts were made by the Government to secure qualified Muslims for these particular posts?

Mr. J. A. Shillidy: For the post of which mention was made, I personally did my best to try and find out a suitable candidate among the different Departments.

Maulvi Muhammad Yakub: I wanted to know what were the efforts which were made. Did his Department inquire of Members of the Legislature? Did they ask the Public Service Commission? Did they ask the Muslim University? Did they publish their vacancies in some of the Muslim papers? I want to know the precise directions in which efforts were made by the Government, when they said that no suitable Muslim candidates were available.

Mr. J. A. Shillidy: I cannot remember all the exact details. We certainly invited applications. As I said, we had applications also from other Mussalmans, and we were particularly anxious to get a minority community representative.

Maulvi Muhammad Yakub: Will Government be pleased to state what were the special qualifications which were required for these candidates?

Mr. J. A. Shillidy: If the Honourable Member wants to know more details, I would ask him to state exactly the points on which he would like information.

Mr. Gaya Prasad Singh: Will the Public Service Commission, as it is going to be reconstituted, take up this question?

Mr. J. A. Shillidy: I very much hope they will; I shall be only too delighted then.

Dr. Ziauddin Ahmad: Will the Honourable Member please read again the answer to part (b) of this question?

Mr. J. A. Shillidy: "(b) The present permanent strength of that office is 2 Superintendents, 5 assistants, 5 clerks and 1 stenographer. The distribution is as follows:—Hindus 9, Europeans and Anglo-Indians 3, Muslim 1."

Mr. K. Ahmed: In view of the inequality of the proportion of Muslims—and the Honourable Member has stated that it is only one—do Government propose, for the sake of their own promises, made again and again, to remedy the anomalous situation? Does the Honourable Member think that he is exercising his intelligence enough when he says that he will try his best, but which will never be done, and when it is the case that he has not done anything hitherto, do Government, for their own benefit, for their own security and for their own safety and tranquillity, propose to take sufficient steps to remedy the anomalous situation as early as possible? If not, will they explain . . .

Mr. President: Order, order. I should like the Honourable Member to put his questions in such a form that they can be reasonably regarded as direct, supplementary questions. He may put more questions if he likes, but let the Honourable Member put them definitely, so that he can obtain a specific reply.

Mr. K. Ahmed: In view of the fact, Sir, that the Honourable Member representing the Department says that he will try his best—which however he has repeatedly said in season and out of season since his advent to this Assembly, and that he has not kept his word . . .

Mr. President: What is the precise question that the Honourable Member wishes to ask?

Mr. K. Ahmed: In view of the fact that he has not kept his word, as he himself has said that there is only one Muslim out of so many non-Muslims who have been appointed to his Department, in answer to the question which was put to him, will he explain the situation?

Mr. J. A. Shillidy: May I have notice of that question?

Mr. President: The Honourable Member wants notice of this question.

Mr. K. Ahmed: I submit supplementary questions arise out of the answer given. The Honourable Member himself has said that only one Muslim is there . . .

Mr. President: The Honourable Member in replying is entitled to ask for notice if he is not able to answer a supplementary question on the spot. The Honourable Member has asked for notice, and therefore the Honourable Member has either to ask another question, or allow the next question to be taken up.

Mr. K. Ahmed: May I ask the Honourable Member representing the Government definitely to explain why he repeated in this Assembly so many times that he would try his best, and, in the result, we find that there is only one Muhammadan out of so many, and that being so, will he explain whether he can now ameliorate the condition and remove the anomaly?

Mr. President: The next question, please.

APPOINTMENT OF MUSLIMS IN THE OFFICE OF THE DIRECTOR OF CIVIL AVIATION.

1081. ***Mr. Uppi Sahab Bahadur:** (a) Is it a fact that some additional staff has recently been sanctioned for the Civil Aviation office? If so, how many posts will be offered to the Muslims to bring their percentage to the standard required under the Home Department orders?

(b) How many Muslim daftries and peons are there at present in that office and what steps are being taken to give the Muslims their due share in this respect?

(c) Will Government be pleased to state whether a copy of the Honourable Sir George Rainy's recent speech in the Assembly regarding Muslim representation has been sent to the Director of Civil Aviation's office to ensure proper representation of Muslims in that office against the vacancies likely to be created shortly?

Mr. J. A. Shillidy: (a) Yes. The question of securing a representation of minority communities in accordance with the policy of the Government of India will be considered in filling the newly sanctioned clerical posts.

(b) There are one daftry and six peons in the Civil Aviation Office, of whom one peon is a Muslim. (*Maulvi Muhammad Yakub: "Hear hear."*) Consideration will be given to the recruitment of Muslims when appointing men to the newly sanctioned inferior servants' posts in that office.

(c) A copy of the speech has been seen by the Director of Civil Aviation.

APPOINTMENT OF A MUSLIM CARETAKER IN SIMLA.

1082. ***Mr. Uppi Sahab Bahadur:** (a) Will Government be pleased to state how many caretakers of Government property there are in Simla?

(b) Is it a fact that there is one vacant post of a caretaker in Simla and will it be offered to a Muslim? Is it a fact that non-Muslims are already holding such posts there?

Mr. J. A. Shillidy: (a) Four.

(b) Yes. It has been decided to keep the post in abeyance. The reply to the last part is in the affirmative.

APPOINTMENT OF A MUSLIM AS AERODROME CLERK IN THE CIVIL AVIATION OFFICE.

1083. *Mr. Uppi Saheb Bahadur: Will Government be pleased to state:

- (a) why the post of an aerodrome clerk was not offered to a Muslim, and whether applications of qualified Muslims were sent to the Civil Aviation office;
- (b) what is the qualification of Babu Kundan Lal, aerodrome clerk;
- (c) who was the appointing authority;
- (d) whether some of the applicants had better qualifications than Babu Kundan Lal, and if so, why the post was not given to any of them; and
- (e) why in such cases the matter was not referred to the Public Services Commission?

Mr. J. A. Shillidy: (a) A Muslim has already been appointed as aerodrome clerk at the Civil Aerodrome, Bamrauli. Applications were received from Muslims for the post of aerodrome clerk, New Delhi.

(b) to (d). The educational standard prescribed for applicants for the post of aerodrome clerk was that of the matriculation examination, and besides satisfying this requirement, Mr. Kundan Lal, who was appointed by the Director of Civil Aviation, was in other respects the most suitable of the applicants.

(e) Recruitment to ministerial posts in subordinate offices is not effected through the medium of the Public Service Commission.

Maulvi Muhammad Yakub: Will the Honourable Member please let me know what were those "other respects" in parts (b) to (d) of his answer?

Mr. J. A. Shillidy: Certainly.

Maulvi Muhammad Yakub: What were they?

Mr. J. A. Shillidy: I will let the Honourable Member know later on.

COCOANUTS AND COPRA IMPORTED INTO INDIAN PORTS FROM CEYLON.

1084. *Mr. Uppi Saheb Bahadur: Will Government be pleased to state.

- (a) the quantity of (i) cocoanuts (ii) copra imported into Indian Ports from Ceylon annually;
- (b) whether any import duty is charged on such imported cocoanuts;
- (c) if so, what is the rate of such duty;
- (d) whether Government received any representation from the Government of Ceylon or any private body in Ceylon, requesting the removal of such duty;
- (e) if so, what is the result of such representation;
- (f) whether Government are aware that owing to the importation of Ceylon cocoanuts into Indian markets the coconut producers in India are hit hard; and
- (g) whether it is a fact that Indian cocoanuts are prevented from being imported into Ceylon ports by a heavy tariff?

The Honourable Sir George Rainy: (a) The Honourable Member is referred to the Sea-borne Trade Accounts, copies of which are in the Library.

(b) and (c). An import duty of 15 per cent. *ad valorem* is levied under the Indian Tariff Act on coconuts imported from abroad. An additional surcharge of 5 per cent. *ad valorem* is at present being levied on this article under the Provisional Collection of Taxes Act in accordance with the proposals made in the Finance Bill which is now before the Legislature.

(d) and (e). I would refer the Honourable Member to my reply to Mr. K. P. Thampan's question No. 810, dated the 5th March, 1931.

(f) Government have received representations from certain Chambers of Commerce to this effect.

(g) Government have no reason to think so.

POLICY OF COLONISING THE ANDAMANS WITH MOPLAHS.

1085. *Mr. Uppi Sahab Bahadur: Will Government be pleased to state:

(a) whether they continue their policy of colonising the Andamans with Moplas;

(b) if so, when was the last batch of free Mopla women and children taken to the Andamans;

(c) till now how many such women and children were taken to the Andamans;

(d) how many of them died and how many returned;

(e) if they are aware that many women and children who are deprived of their guardians are suffering very great hardship and are at the mercy of convicts or people descended from convicts;

(f) if it is a fact that these free women and children who were governed by civil laws in Malabar are governed by laws and regulations intended to govern convicts and people descended from convicts; and

(h) whether Government have done anything to give proper education, both secular and religious, to Mopla children taken to the Andamans with the mothers?

The Honourable Sir James Omerar: (a) I invite the attention of the Honourable Member to paragraph 10 of the Home Department Resolution No. F. 188/24-Jails, dated the 4th October, 1926, published in the Gazette of India of the 9th October, 1926, which describes the policy of the Government of India in this matter. The Honourable Member will see that the scheme is on a purely voluntary basis.

(b) to (e). I have called for a report and will give the information when received.

(f) No.

(g) Primary schools have been opened in all Mappilla villages, and suitable religious and moral teaching is imparted by Mappilla teachers. Mosques have been built and are regularly used.

Mr. K. Ahmed: Are Government aware that the soil of the Andamans has previously been declared by the Government to be both insanitary, unhealthy and unsuited for human beings?

The Honourable Sir James Orerar: No, Sir. If the Honourable Member will read the Administration Reports of the Andamans and the Nicobar Islands, he will see that very strenuous measures for improving sanitation have been carried out during the last two or three years, and that the health conditions have very greatly improved. The colonists in the island are in a very happy, contented and healthy condition, according to my information.

Mr. Upp! Saheb Bahadur: May I know whether it is not a fact that the Cardew Committee reported that according to their view women and children should in no circumstances be sent to the Andamans?

The Honourable Sir James Orerar: I must ask the Honourable Member to give me notice of that question.

Mr. K. Ahmed: Is it not a fact that only 5 years ago a Committee was formed consisting of 4 Muhammadan Legislators and a Parsi Doctor when Sir Alexander Muddiman was in the place of the Honourable Member and when he was his Secretary and that they reported that the soil of the Andamans was not only insanitary, unhealthy and unfit for human habitation but that the character of the people is so much demoralised that the women folk in particular should not be sent there? Is it not contrary to those recommendations that the poor Moplahs are sent to the Andamans to live there?

The Honourable Sir James Orerar: I should remind the Honourable Member that the scheme is entirely voluntary. Anyone who desires to go is allowed to go; is assisted there and is given very material assistance to set up in life in the Andamans. Those who desire to return to Malabar are also assisted to do so.

Mr. K. Ahmed: Is it not a fact that since 1921 Government officers, the Almighty policemen, had shut up one hundred Moplahs in a railway luggage van for transmission and the major portion of their dead bodies were lying in a heap one over the other? Most of them died for want of water to quench their thirsts? Is it not a fact that those convicted Moplahs were still there, and Government had sent them there in order to make the land fertile? Why were not the Moplah prisoners transferred to India according to Jail Rule?

The Honourable Sir James Orerar: There is nothing to warrant these suggestions, but I would point out that the question and the answer related to a scheme for free colonization.

Mr. K. Ahmed: What is the reason for keeping these convicts in the Andamans when according to the Central Jails Committee's Report that place has been declared to be insanitary and unhealthy? The Government Civil Surgeon and those who are in the best position to pronounce their judgment about the suitability of the place have declared against it. Their salaries were paid from the Indian exchequer and still the Government have not acted upon their advice. Do Government propose for their own benefit and for the benefit of the Indian people to take sufficient steps to remove these convicts from the Andamans as early as possible?

The Honourable Sir James Orerar: I must point out, as I have already done, that the question relates to the free settlement in certain portions of the Andaman Islands. If the Honourable Member desires to raise a different issue, I shall be glad to reply to him if he will give me notice of his question to enable me to give him a considered reply.

Maulvi Muhammad Yakub: Will the Honourable Member kindly say if any other people besides the Moplahs have left India and taken up their residence there voluntarily?

The Honourable Sir James Orerar: I believe that is so; but if the Honourable Member wants more detailed information, I must ask him for notice.

Diwan Bahadur A. Ramaswami Mudaliar: Seeing that there is grave suspicion that the voluntary emigration is not really voluntary, will the Government consider the desirability of having a non-official committee to examine the cases of voluntary emigration?

The Honourable Sir James Orerar: I do not think it is necessary to have a committee for that purpose. The policy of the Government has been very fully stated and I am not aware that the suspicions of the kind the Honourable Member refers to are really entertained.

ALLEGATIONS AGAINST AN EXECUTIVE ENGINEER OF THE PUBLIC WORKS DEPARTMENT, DELHI.

1086. ***Maulvi Muhammad Yakub:** Is it a fact that certain materials (such as girders, conduit pipes and electric wires, etc.), have been taken from Government surplus stores and used by the Executive Engineer, 7th Division, Delhi, Public Works Department in his private building? If so, do Government propose to make an immediate inquiry into the matter?

Mr. J. A. Shillidy: Government have no reason to believe that the statement is true nor have they any grounds for making the enquiry suggested. If, however, the Honourable Member will disclose his reasons for making such a statement, and the source of his information, Government are prepared to institute an enquiry.

DISCHARGE OF A CABLE JOINT EXPERT FROM THE DELHI PUBLIC WORKS DEPARTMENT.

1087. ***Maulvi Muhammad Yakub:** Is it a fact that one B. Nand Kishore, who was a cable joint expert and who had been trained in this work at Bombay at Government expense, has been discharged in spite of the fact that several others who are junior to him are still in service under the Executive Engineer, 7th Division, Delhi Public Works Department? If so, will Government please say why the juniors have been given preference?

Mr. J. A. Shillidy: Babu Nand Kishore was given a short training in cable laying for about six weeks along with several others in 1922. He left the Department in 1927 to take up a better paid appointment on the East Indian Railway and his post was abolished. He was re-employed in 1929 as the Railway Department did not require his services any longer, on certain particular jobs which are now finished. There is, therefore, no question of men junior to him being retained in preference to him.

APPOINTMENT OF AN ADDITIONAL SUPERINTENDENT OF MAINS IN THE PUBLIC WORKS DEPARTMENT, DELHI.

1088. *Maulvi Muhammad Yakub: Are Government aware that two Superintendents of Mains are now working in the 7th Division, Delhi Public Works Department, on the work which was done previously by one Superintendent only? How has this been allowed at a time when the question of general retrenchment is being considered?

Mr. J. A. Shillidy: Yes. The reason is that owing to the completion of the construction, the work of maintenance (which includes six sub-stations, all the cables for electric distribution and the road lighting itself) became too heavy for one man to attend to and one subordinate who was employed on construction was therefore transferred to maintenance. There was no increase in staff.

SALE OF COPPER WIRE BY THE DELHI PUBLIC WORKS DEPARTMENT.

1089. *Maulvi Muhammad Yakub: Are Government aware that a certain quantity of copper wire was dismantled at Old Delhi and the same has been sold in the bazar by the 7th Division people? Is it with the concurrence of Executive Engineer, 7th Division, Delhi Public Works Department? Will Government say how much copper wire was actually used and dismantled in Old Delhi? Have any investigations been effected and the concerning estimates overhauled to find out the default?

Mr. J. A. Shillidy: The facts are that 95,148 lbs. of copper wire was obtained by dismantlement of the electric services in the Civil Lines, Old Delhi, during the year 1928-29 as against an estimated quantity of 94,000 lbs., and was partly disposed of locally by public auction or by authorised private sale, and partly re-used in the erection of road lighting. The price received was also higher than the estimated recovery.

CONTRACT FOR ILLUMINATION IN CONNECTION WITH THE NEW DELHI INAUGURAL CEREMONIES.

1090. *Maulvi Muhammad Yakub: Is it a fact that on the occasion of the New Delhi inauguration ceremony the work in connection with the illumination at Delhi Fort was not awarded by the Executive Engineer, 7th Division to the lowest tenderer (who was an approved contractor of the Public Works Department, Electrical Department) while this work was entrusted to another contractor at much higher rates? Will Government be pleased to give reasons?

Mr. J. A. Shillidy: The difference between the rates accepted and those of the lowest tender was trifling and the Superintending Engineer awarded the contract to the contractor whom he considered most suitable for the work.

Maulvi Muhammad Yakub: What difference is considered "trifling" in this year of stringency and retrenchment?

Mr. J. A. Shillidy: Rs. 270.

Maulvi Muhammad Yakub: It has no value!

QUALIFICATIONS OF EMPLOYEES OF THE GOVERNMENT POWER HOUSE, DELHI.

1091. ***Maulvi Muhammad Yakub**: What are the names and educational and technical qualifications of the men working in the Government Power House, Delhi? Are any of them the relations of the Executive Engineer of the 7th Division? If so, how many?

Mr. J. A. Shillidy: As regards the first part of the question, Government do not consider that any useful purpose would be served by obtaining the information asked for. As to the second part, the Executive Engineer concerned has stated that none of the men working in the Power House is related to him.

Mr. K. Ahmed: What is the use of saying that no useful purpose would be served by obtaining the information asked for? We want to know what relation the man bears to him—is he his brother-in-law or what?

Mr. J. A. Shillidy: I have not said so. I have said that no useful purpose will be served by obtaining the information asked for in the first part of the question.

Mr. K. Ahmed: Is it the monopoly of the relations of the employees in the Department of the Honourable Member to occupy all the places? Is it not incumbent on him to find out their qualifications before they are appointed?

Mr. J. A. Shillidy: If the Honourable Member had listened to my answer he would not have put that question. I have said that the Executive Engineer concerned said that none of the men working in the Power House is related to him.

APPOINTMENT OF MUSLIM DOCTORS IN THE COMBINED HOSPITAL, NEW DELHI.

1092. ***Maulvi Muhammad Yakub**: (a) Are Government aware of the fact that there are no Muslim doctors working in the Combined Hospital, New Delhi? Are Government prepared to appoint a Muslim Assistant Surgeon or Sub-Assistant Surgeon in the Combined Hospital, New Delhi?

(b) Are Government aware that a certain Sub-Assistant Surgeon has been working in the Combined Hospital for the past 10 or 12 years?

(c) Have Government considered the question of the transfer of this officer at an early date?

(d) Will Government be pleased to state whether it is a fact that medical officers are liable to transfer after a certain fixed period from one place to another? Will Government be pleased to lay a copy of the rules on the subject on the table of the House?

(e) Are Government aware of the fact that a certain Assistant Surgeon has been working for more than 8 years at the Combined Hospital in New Delhi?

(f) Have Government considered the question of his transfer?

(g) Are Government prepared to direct the Chief Medical Officer, Delhi Province, to consider the claims of Muslim doctors for appointment in the Combined Civil Hospital when occasion arises?

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: (a) Yes. The matter is under the consideration of the authorities.

(b) and (e). Yes.

(c) and (f). The question of transfer will be considered in due course

(d) Yes. A copy of the rules on the subject is laid on the table.

(g) Government have no reason to suppose that the interests of Muslim doctors in this matter are not borne in mind by the Chief Medical Officer, Delhi Province.

Copy of the rules regarding the employment of doctors at the Combined Hospital, New Delhi.

PUNJAB MEDICAL MANUAL, 1910.

Para. 135-B.—No Assistant Surgeon—the senior grade excepted—shall hold charge of any one hospital or dispensary for more than five years and exceptions to this rule, if any, will be very rare.

Para. 183-A.—No Sub-Assistant Surgeon shall hold charge of any one hospital or dispensary for more than five years, and exceptions to this rule, if any, will be very rare.

Maulvi Muhammad Yakub: Will they ever be translated from the "mind" into "practice"?

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: From whose mind?

Maulvi Muhammad Yakub: The mind of the Government.

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: Government has but one mind.

Maulvi Muhammad Yakub: Therefore, I say will that consideration ever come out of its mind into practice?

The Honourable Khan Bahadur Mian Sir Fazl-i-Husain: I have no doubt it will.

HARASSMENT BY KHANS OF THE RELATIVES OF MAULVI GHULAM RABBANI.

1093. ***Shaikh Sadiq Hasan:** (a) Will Government please state if it has been brought to their notice that the relatives of Maulvi Ghulam Rabbani Lodhi, a respectable journalist of Sarai Saleh at present undergoing one year's imprisonment in Bannu Jail, are harassed by the Khans of Sarai Saleh in Hazara District? If so, do Government propose to make inquiries into the matter?

(b) Are Government aware that Khan Bahadur Ahmad Khan with his servants and other Khans attacked Maulvi Abdullah, uncle of Maulvi Ghulam Rabbani Lodhi in September, 1930, at the time of prayers, and forcibly turned him out of the mosque?

(c) Was a petition submitted to the Deputy Commissioner, Hazara, by the people of the place against this action of the Khans? If so, was any action taken? If not, why not?

(d) Are Government aware that this is all being done by the Khans as Maulvi Ghulam Rabbani and his relatives are Congressmen?

Mr. J. G. Acheson: Enquiry has been made from the Local Administration and the information will be supplied to the Honourable Member as soon as a reply is received.

APPOINTMENT OF MUSLIMS IN GOVERNMENT OF INDIA DEPARTMENTS.

1094. ***Shaikh Sadiq Hasan:** Will Government please state if there are separate cash sections in the various Departments of the Government of India? If so, how many assistants and clerks are working in each of these sections in the various Departments? How many of them are Hindus and Muslims respectively? If the number of Muslim clerks in these sections is not adequate, do Government propose to post Muslim clerks in these sections?

The Honourable Sir James Orerar: The reply to the first part of the question is in the affirmative. I have no information as to the number of assistants and clerks working in the Cash branches of the various Departments or their communal composition. I should like to explain that these branches are recruited from the ordinary staff of the Departments concerned and are, like other branches of such Departments, separately constituted for convenience of departmental working. The class of work performed in a particular branch and the number of men allotted to it are matters within the discretion of the Head of the Department who is responsible for the efficient working of the Department. The principle of communal representation in particular branches of the Secretariat has not been recognised, and as the Honourable Member will recognise, it would not be practicable since the staff must be liable to transfer from branch to branch as the exigencies of the work may demand.

APPOINTMENT OF A MUSLIM AS CASHIER IN THE DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

1095. ***Shaikh Sadiq Hasan:** Has there ever been a Muslim cashier in the Department of Education, Health and Lands since the creation of this Department? How many clerks are working as assistants to the cashier? Has a Mussalman been ever posted in this section? Did Muslim clerks of this Department ever express their wish to be posted in this section when long or short term vacancies occurred? Were their requests always refused? If so, why?

The Honourable Khan Bahadur Mian Sir Fazi-i-Husain: No. Since the amalgamation of the Departments of Revenue and Agriculture and Education and Health in April, 1923, the post of cashier has been held by the person who held the post in the former Department. He has two assistants. No Muslim has ever supplied to be appointed to this Section. The only occasion on which it has been proposed to appoint one to it was in 1924, but the clerk whom it was intended to transfer to the Section requested that the transfer might not be made, and his request was granted. The practice has been to appoint to the Section the most suitable clerk available, having regard to the nature of the work to be done in it.

PROVISION OF LATRINES IN SERVANTS' COMPARTMENTS ON RAILWAYS.

1096. ***Shaikh Sadiq Hasan:** (a) Will Government please state if latrines are provided in the servants' compartments in the trains of the various railways?

(b) If the answer is in the negative, do Government propose to provide latrines?

Mr. A. A. L. Parsons: I would refer the Honourable Member to the reply given on the 17th March, 1930, to starred question No. 608 by Mr. Mukhtar Singh.

Mr. K. Ahmed: Since then have the Government of India made up their mind to relieve the inconvenience caused to passengers during this heat?

Mr. A. A. L. Parsons: On the contrary I do not think the Honourable Member can remember the reply I gave previously. I explained that as carriages came into shops, we were taking steps to provide them with lavatories in servants compartments.

RECRUITMENT OF ASSISTANT SURGEONS IN THE ARMY VETERINARY CORPS AND THE ARMY REMOUNT DEPARTMENT.

1097. ***Shaikh Sadiq Hasan:** (a) Will Government please state if Veterinary Assistant Surgeons recruited in the Army Veterinary Corps and the Army Remount Department have to possess identical qualifications?

(b) Are both the classes under the control of the Quarter Master General and liable to military service in and out of India during war?

(c) Are conditions of service similar in both the cases?

(d) Have Government considered the desirability of amalgamating both the services? If it is not practicable, what are the difficulties in the way?

Mr. G. M. Young: (a) and (b). Yes.

(c) No, Sir. Veterinary Assistant Surgeons in the Indian Army Veterinary Corps serve as combatants under military regulations, whereas those in the Army Remount Department are civilians serving under the Civil Service Regulations and are not subject to military law.

(d) As stated in my reply to starred question No. 617 on the 30th August, 1927, the answer to the first portion is in the affirmative. One of the reasons for which amalgamation is not considered practicable is that Veterinary Assistant Surgeons of the Army Remount Department not only have purely veterinary work to do, but are intimately connected with horse and mule breeding operations in the civil districts in which they serve. It is therefore desirable for Veterinary Assistant Surgeons in breeding areas to continue to serve in particular localities without frequent transfers, which would be necessary if they belonged to the Indian Army Veterinary Corps.

GRANT OF CONCESSIONS TO CERTAIN POSTAL CLERKS TRANSFERRED TO NEW DELHI.

1098. ***Seth Haji Abdoola Haroon:** (a) Is it a fact that the telephone revenue accounting work relating to the Sind and Baluchistan Circle, Central Circle, and Bombay Circle, was decentralised, from its central office at New Delhi and transferred to the respective circle offices with effect from the 1st April 1929?

(b) Is it not a fact that the clerks were served with the transfer orders without any previous warning and that they had no time for the necessary preparations?

(c) Is it a fact that the clerks of the office of the Director-General, Posts and Telegraphs, were transferred from Calcutta to New Delhi, in the year 1927-28?

(d) If so, what concessions were held out to them?

(e) Is it not a fact that the office of the Deputy Postmaster-General, Railway Mail Service, Ambala, was also decentralised with effect from the 1st April 1929?

(f) Is it not a fact that they were also given some concessions? If so, what are they?

(g) Is it not a fact that clerks mentioned in parts (c) and (e) had enough time to be ready for their new stations, which they selected according to their own choice?

(h) Is it a fact that clerks mentioned in part (b) submitted their petitions to the Director-General, Posts and Telegraphs, for the grant of bonus, etc., as given to men mentioned in parts (c) and (e), and that the Director-General, Posts and Telegraphs, rejected the petitions? If so, why?

(i) Are the Government of India prepared to consider their case?

Mr. J. A. Shillidy: (a) The decentralisation referred to was carried out between the 20th March, 1929, and the 1st May, 1929.

(b) Government have no information showing that the case is as stated.

(c) The transfers took place in 1926-27 and 1927-28.

(d) The concessions granted were those mentioned in the reply to part

(b) (ii) of Mr. Amar Nath Dutt's starred question No. 847 in this House on the 15th February, 1926, except that the number of monthly instalments for refund of the advance of pay was altered to 24 and that an advance of one month's pay subject to a maximum of Rs. 200 was also granted to the staff (other than inferior servants) for the purchase of furniture.

(e) Yes.

(f) Yes. The following concession were granted:

Clerical Staff.

(1) Bonus of Rs. 100.

(2) Advance of one month's pay recoverable in 12 monthly instalments.

(3) Travelling Allowance for families if these followed the officials within a year.

Inferior servants.

(4) Bonus of Rs. 25.

(5) Advance of one month's pay recoverable in 12 monthly instalments.

(6) Travelling Allowance at double third class fares.

(g) The case is substantially as stated by the Honourable Member except that it is not correct to say that the clerks had choice of stations.

(h) Only two of the clerks applied for the concessions granted to the clerks of the Director-General's office; the others made different prayers. The case, however, of the clerks on the Telephone Revenue Accounting establishment, which had only recently been formed, and the ultimate stations of which had not been definitely fixed, differed from that of the other clerks referred to and did not justify the grant of similar concessions.

(i) No, Sir.

FACILITIES FOR THE CARRIAGE OF BAGGAGE BETWEEN SIMLA AND DELHI.

1099. ***Mr. B. Das:** (a) Are Government aware that for some years past it has been the practice of Government officials and clerks to make their own arrangements on a co-operative basis for carrying their kit between Simla and Delhi?

(b) Are Government aware that the practice mentioned in part (a) led to satisfactory results because of the co-operation of the railway authorities in respect of allotment of shed and allotment of wagons?

(c) Are Government aware that during the last Simla exodus the facilities offered in the past in respect of wagons and shed were not accorded to the same extent and that great damage was caused to the kit of officers and clerks which was allowed to lie in the open yard?

(d) Are Government aware that facilities like the use of railway scales which used to be offered before were also not allowed during the last Simla exodus?

(e) Are Government aware that, during the last Simla exodus, while an engine was shunting, a number of boxes were smashed to pieces and much loss was caused to owners of the kit?

(f) Do Government propose to issue immediate instructions to the Operating Officer, Simla, to order his goods staff to be helpful and to render the same assistance as has been rendered in the past?

Mr. A. A. L. Parsons: (a) Yes.

(b) Government are unaware of the extent to which the railway authorities have co-operated in the past as regards facilities on the Railway.

(c), (d) and (e). I understand that certain complaints of this nature have been made.

(f) This is a matter which lies within the competence of the Railway Administration to deal with, and I am having a copy of the Honourable Member's question and of my reply sent to the Agent of the North Western Railway.

RECOMMENDATIONS OF THE CIVIL JUSTICE COMMITTEE.

1100. ***Mr. B. N. Misra** (on behalf of Pandit Ram Krishna Jha): (a) With reference to the answer given to my starred question No. 784 on the 2nd March, 1931, referring me to the answer given to starred question No. 38 on the 20th January, 1930, will Government be pleased to lay on the table of this House:

(i) a list of the 37 recommendations of the Civil Justice Committee to which effect had been given till the 20th January, 1930, as stated in answer to the said starred question No. 38 of 1930; and

(ii) a list of the 72 recommendations to which effect was not given till the 20th January, 1930, as stated in the answer to the said starred question No. 38, on the 20th January, 1930?

(b) Will Government be pleased to state, if they are now prepared to give effect to these 72 recommendations?

(c) Will Government please state, which of the recommendations of the Civil Justice Committee, have till now been given effect to by:

- (i) the Government of Bihar and Orissa, by the Patna High Court and by the officers of the courts working in the province of Bihar and Orissa; and
- (ii) the Government of Bengal and other Local Governments and the other High Courts?

The Honourable Sir James Crerar: (a) I lay on the table a list of the recommendations of the Civil Justice Committee in which action was within the competence of the Government of India and to which effect had been given, with or without modifications, prior to the 20th January, 1930. A comparison of this list with the resume of recommendations appended to the Committee's Report will indicate to the Honourable Member the recommendations to which effect has not been given.

(b) The Government of India have already carefully considered these recommendations and have decided not to proceed with them.

(c) The information is being called for and on its receipt a reply will be given to the Honourable Member.

List of the recommendations of the Civil Justice Committee in which action was within the competence of the Government of India, and to which effect had been given, with or without modifications, prior to the 20th January 1930.

Report of the Civil Justice Committee.

RESUME OF RECOMMENDATIONS.

Recommendations which require legislative action.

Serial No.	Reference.		Recommendations.
	Chapter.	Paragraph.	
2	7 Sec. I	8	Amendment of the Religious Endowments Act (XX of 1863) in such a manner as to permit suits brought under it to be heard and determined by subordinate judges and munsifs.
3	7 Sec. I.	9	Amendment of the Madras Civil Courts Act (III of 1873) to enable contested proceedings under the Indian Succession Act, X of 1865, and the Probate and Administration Act V of 1881, to be transferred to subordinate judges and munsifs for hearing and determination.
4	7 Sec. I,	11	Amendment of the local Acts where necessary to provide for the hearing and determination of matters under the Guardian and Wards Act, VIII of 1890, by subordinate judges and munsifs.
9	8	22	Amendment of the Legal Practitioners Act (XVIII of 1879) so as to enable presiding officers of subordinate courts to make enquiries with the view of proclamation of touts, to amend the definition of a tout, and to make the continuance of touting after a man has been proclaimed a criminal offence.

Serial No.	Reference.		Recommendations.
	Chapter.	Paragraph.	
			AMENDMENTS IN THE PROVINCIAL INSOLVENCY ACT (V OF 1920).
14 (i)	14	15	(i) Insertion of a provision, similar to the provision in section 36, Presidency Towns Insolvency Act (III of 1908), by which the court shall have power to examine a third party, such power to be given to courts by special order of the Local Government and to be capable of deputation to a registrar, where such officer is appointed.
14 (ii)	14	16	(ii) Amendment of section 70 to improve the procedure in insolvency prosecutions.
14 (iii)	14	19	(iii) Insertion of provisions similar to the provisions in sections 88 and 89 of the Presidency Towns Insolvency Act to enable the court to appoint committees of inspection.
14 (iv)	14	21	(iv) Amendment of section 34(3) to provide that the receiver and not the insolvent shall be the proper person to contest proofs of debt.
14 (vi)	14	24	(vi) Restriction of official receivers' powers under section 80 (a), (c), (d).
			PRESIDENCY TOWNS INSOLVENCY ACT (III OF 1909).
15 (i)	14	22	(i) That it should be extended to Karachi.
15 (ii)	14	38	(ii) Amendment of section 104 as to prosecutions for insolvency offences.
16	15 Calcutta.	14	That all references to Order XXXVII Act V of 1908, be deleted from the Negotiable Instruments Act (XXVI of 1881).
23	24	8	Restriction of Letters Patent appeals on the lines of Rangoon Letters Patent (this may be done by legislation or otherwise).
25	27	2-4	Amendment of sections 98 and 103 of Act V of 1908.
27 (xi)	30	4	(xi) Amendment of section 48, Act V of 1908, with a corresponding alteration in Article 182, First Schedule of the Limitation Act (IX of 1908), to bar execution after six years except by special leave of the court, to be given on certain grounds and under certain conditions.

Serial No.	Reference.		Recommendations.
	Chapter.	Paragraph.	
28	35	16	<p>IN RESPECT OF THE DOCTRINE OF PART PERFORMANCE.</p> <p>(a) Definition by legislative enactment of the contractual effect of an instrument purporting to be a conveyance but void, as such, for want of registration.</p> <p>(b) A legislative enactment providing that in the absence of twelve years' possession no claim to immoveable property under an unregistered transfer be recognised except as a basis for a suit for specific performance brought within due time.</p>
31	37	8-9	<p>PARTNERSHIPS.</p> <p>Legislative enactment requiring registration of contractual partnerships in cases in which the capital at the commencement of the partnership exceeds Rs. 500, omission to register being made punishable as an offence; failure to register to entail however only the refusal of civil courts to decide disputes as between the partners themselves. Unregistered partnerships would not be treated as illegal associations incapable of suing or being sued as such.</p>
32(i)	38	7	<p>PROBATE AND ADMINISTRATION.</p> <p>A legislative enactment requiring wills made by Hindus to be everywhere in writing and attested.</p>
33	38	9	<p>Extension of powers to grant certificates under Administrator General's Act (III of 1913).</p>
34	39	3	<p>Amendment of the law as to attestation of mortgage deeds.</p>
37 (ii)	41	4	<p>LIMITATION ACT (IX of 1908).</p> <p>(ii) Amendment of section 19.</p>
37 (iii)	41	4, 5, 6	<p>(iii) Amendment of section 20.</p>
37 (iv)	41	7	<p>(iv) Amendment of Article 5, First Schedule.</p>
37 (xi)	41	14	<p>(xi) Amendment of Article 132, First Schedule.</p>
37 (xii)	41	15	<p>(xii) Amendment of Article 166, First Schedule.</p>
37 (xiii)	41	16	<p>(xiii) Amendment of Article 133, First Schedule.</p>
37 (xiv)	41	16	<p>(xiv) Amendment of Article 134, First Schedule.</p>
38 (vi)	42	5	<p>(vi) Amendment of section 68 of the Indian Evidence Act (1 of 1872).</p>
44	50	6	<p>Provision enabling the Madras High Court to grant greater powers under the Provincial Small Cause Courts Act.</p>

III.

Recommendations which require action by High Courts under other Rule-making powers or administrative orders.

Serial No.	Reference.		Recommendations.
	Chapter.	Paragraph.	
20	14	29—31	Reconsideration of the methods in the Madras High Court as to proceeding in insolvency against mortgages and debtors of insolvents.
22 (iv)	15	14	(iv) That rules should be made that in exercise of the summary procedure provided by Order XXXVII in a suit on a Bill of Exchange or Negotiable Instrument interest can be recovered only as provided in the document or, if the document is silent on the point, at six per cent. as provided in the Negotiable Instruments Act (XXVI of 1881) and that the Court shall have the same power as to <i>interim</i> interest and interest on the decree as under the ordinary procedure.

IV.

Recommendations which require the sanction of the Government of India.

			MODIFICATIONS IN STATEMENTS IN THE STATISTICAL ABSTRACT OF BRITISH INDIA.
1 (i)	34	7	(i) Issue of instructions to obtain uniformity.
1 (ii)	34	13	(ii) Additions to Form No. 29.
1 (iii)	34	14	(iii) Additions to Form No. 30.
1 (iv)	34	15	(iv) Additions to Form No. 31.
1 (v)	34	16	(v) Additions to Form No. 32.

V

Recommendations which require administrative action by Local Governments.

9	11	22-24 28-29	Improved training of officers in the Indian Civil Service before appointment as District and Sessions Judges.
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MEMORIAL FROM POSTAL OFFICIALS IN THE BENGAL AND ASSAM POSTAL CIRCLE.

1101. ***Mr. S. O. Mitra:** (a) Will Government please say whether an identical memorial addressed to His Excellency the Viceroy and Governor General submitted in the month of October 1930 by some postal officials in the Calcutta General Post Office and in other Post Offices in the Bengal and Assam Circle, who passed the selection grade examination in 1929, has been received by them?

(b) If so, will Government please say whether any decision has been arrived at and communicated to the memorialists?

(c) If not, will Government please say when the memorialists can expect to know the decision?

Mr. J. A. Shillidy: (a) Yes.

(b) No.

(c) Shortly.

UNSTARRED QUESTIONS AND ANSWERS.

PROMOTIONS IN THE GOVERNMENT OF INDIA PRESS, DELHI.

369. **Mr. M. Maswood Ahmad:** (a) Will Government please state what procedure is adopted in the Government of India Press, Delhi, in making officiating arrangements from Lower to Upper Division?

(b) Is it a fact that sometimes the gradation list is followed and sometimes seniority within a Branch gives claim to a post in the Upper Division falling vacant in that branch?

(c) Is it a fact that no Muhammadans have had any chances of officiating in the upper grade?

Mr. J. A. Shillidy: I propose to deal with questions Nos. 369 and 370 together. The Controller of Printing and Stationery is responsible to Government generally for the efficient administration of the Government of India Presses and Government do not propose to call for the information regarding these administrative details, which are matters for his discretion.

PROMOTIONS IN THE GOVERNMENT OF INDIA PRESS, DELHI:

†370. **Mr. M. Maswood Ahmad:** (a) Is it a fact that Mr. K. G. Sarup, officiating Accountant and Cashier, Government of India Press, Delhi, was appointed on probation for six months to the vacant post of Accountant and Cashier, in May 1929?

(b) Have orders been clearly issued by the Controller of Printing and Stationery that "The fact that a permanent or semi-permanent vacancy occurs in a particular Branch shall not ordinarily give an officer of the clerical establishment working in that Branch a preferential claim to the vacancy and the Controller shall take into consideration the claims of all those in the various Branches who were in employ on the 26th March 1929"?

†For answer to this question, see answer to question No. 369.

(c) Is it a fact that Mr. J. N. Sarkar, Stationery and Store-keeper, was far senior to Mr. K. G. Sarup and that his claims have been overlooked?

(d) If the reply to part (c) above be in the affirmative, how do Government propose to redress his grievances?

(e) Is it a fact that Mr. K. G. Sarup has not been confirmed so far, and neither was his probationary period extended? If so, why?

(f) Is it a fact that an examination is to be held in Calcutta in September or October 1931 for qualifying for the posts of Accountants in the Stationery and Printing Department?

(g) Is it a fact that proposals have just been sent for confirming Mr. K. G. Sarup? Are Government prepared to withhold his confirmation and fill up the post by a qualified man as a result of the examination referred to in (f)? If not, why not?

IRREGULARITIES IN THE CENSUS ENUMERATION AT NAJIBABAD.

371. **Mr. C. S. Ranga Iyer:** (a) Has the attention of Government been drawn to the illegalities and irregularities committed in the Najibabad Municipality on the night of the 28th February, 1931, while taking the census of Non-Muslim population in general and that of Hindu population in particular?

(b) Will Government be pleased to state whether the Hindus of Najibabad Municipality made a representation to the Superintendent, Census Operations, United Provinces, and other Census authorities of the Bijnor District, complaining that serious injustice had been done to them in the last Census taken in 1921, as a proper counting of their population was not done and that though they were equal in number to that of the Muslims, were yet shown in a minority in order to lower down their representation in the local Municipal Board?

(c) Are Government aware that the Chairman, Municipal Board, Najibabad, was *de facto* Charge Superintendent of the present Census at the Najibabad Municipality?

(d) Are Government aware that in January, 1931, the Hindus of the Najibabad Municipality, made a strong representation to the District Census Officer, Bijnor, and the Superintendent, Census Operations, United Provinces, apprehending manipulation of the Census for political purposes at the hands of the Chairman, Municipal Board, Najibabad, and requesting the authorities concerned to appoint independent persons to carry out the Census operations in the Najibabad Municipality?

(e) What steps did Government take to satisfy the grievances of the Hindus there? Will Government state what steps it took to ensure the correct recording of the Hindu population there and why no change was made in the present arrangements?

The Honourable Sir James Orerar: Enquiries are being made and the result will be communicated to the Honourable Member in due course.

IRREGULARITIES IN THE CENSUS ENUMERATION AT NAJIBABAD.

†372. **Mr. O. S. Ranga Iyer:** (a) Will Government be pleased to state whether the Charge Superintendent of the census operations in the present census at Najibabad Municipality is the same person who, in the month of April, 1929, added 2,000 Muslim names to the United Provinces Council electoral roll in the Najibabad Municipality and in connection with which a letter under the caption of "Najibabad Electoral Roll", was published in the *Leader*, of Allahabad in its issue of May 6th, 1929, and on inquiry being made by the District Magistrate and the officer-in-charge of the electoral roll of that district, those fictitious Muslim names were removed?

(b) Will Government be pleased to state whether the present Chairman, Municipal Board, Najibabad, who is also the *de facto* Charge Superintendent of the census in the Najibabad Municipality, had in the year 1925, along with two others cooked the Electoral roll of Najibabad Municipality, for political purposes and in connection with which a memorial of the rate-payers of the Najibabad Municipality was sent to the Government United Provinces, on the 29th October, 1925, and that in G.O. No. 566 C/XI-259, dated the 8th July, 1926, Municipal Department, the United Provinces Government, recognised that the malpractices were committed by the present Chairman?

(c) When appointing the present Chairman, Municipal Board, Najibabad, as Charge Superintendent of the census operations, Najibabad Municipality, were Government aware of the facts stated in parts (a) and (b) and if so, why was the census work left in the hands of these persons and no adequate arrangement made to ensure the taking of the correct census there?

IRREGULARITIES IN THE CENSUS ENUMERATION AT NAJIBABAD.

†373. **Mr. O. S. Ranga Iyer:** (a) Will Government be pleased to state whether it is a fact that the Hindus of the Najibabad Municipality, on the night of the 26th February, 1931, sent telegrams and subsequently made oral and written complaints to the various Census authorities concerned alleging that the Chairman, Municipal Board, Najibabad, through his men had forcibly snatched away Census records from the enumerators while they were busy recording the Census of the Hindu quarters and subsequently removed the supplementary lists, containing the names of the Hindu population from the record, that the recording of the Hindu population was stopped before the prescribed time and that various other irregularities and illegalities of a similar nature were committed by him?

(b) Is it also a fact that a largely signed memorial of influential Hindus of the Najibabad Municipality has been sent to the Census authorities concerned, making the aforesaid allegations and praying for an independent enquiry to be made into those allegations?

(c) Do Government propose an enquiry to be made into these allegations? If so, when? If not, why not?

†For answer to this question, see answer to question No. 371.

IRREGULARITIES IN THE CENSUS ENUMERATION AT NAJIBABAD.

†374. **Mr. O. S. Ranga Iyer:** (a) Will Government be pleased to state whether it is a fact that the population of the Najibabad Municipality in 1911, was 18,460, and in 1921 it was 18,504, and that it has swelled to 28,000 and odd in the present census?

(b) Are Government aware that upon the present census of Najibabad Municipality depends the representation in the local Municipal Board? Is it the intention of Government to take a fresh census in the Najibabad Municipality, in order to arrive at a right conclusion respecting the strength of the respective communities? If not, why not?

(c) Will Government be pleased to lay copies of the representations which were made by the Hindus to the Census authorities concerned and the action taken thereon by them?

IMPROVEMENT OF THE INDUSTRIES OF THE NORTH WEST FRONTIER PROVINCE.

375. **Khan Bahadur Haji Wajihuddin:** (a) Is it a fact that the North-West Frontier Province Government some time ago, obtained the services of an experienced officer of the Department of Industry of the Punjab to investigate and submit a detailed report regarding the best means of effecting the improvement of the existing local industries in the Province?

(b) If answer to part (a) be in the affirmative, will Government be pleased to state:

(i) if the report has been received, and

(ii) if so, whether the same has been published for the information of the Muslim public of the Province, and for the opinion of the press; if not, why not?

(c) Will Government please state if they propose to improve the existing local industries in the North West Frontier Province?

Mr. J. A. Shillidy: The attention of the Honourable Member is invited to the reply given in this House on the 12th March, 1930, to an identical question (No. 519) asked by Maulvi Muhammad Yakub.

PAY OF THE SUB-POSTMASTER, AMALAPURAM SUB-POST OFFICE.

376. **Mr. O. S. Ranga Iyer:** (a) Will Government be pleased to state the strength of the clerical staff of Amalapuram Sub-Post Office?

(b) Is it not a fact that the Sub-Postmaster is not in the selection grade?

(c) Does not the strength and the status of the office require it?

(d) If so, do Government propose to raise the pay of the Sub-Postmaster from the time-scale to selection grade early? If not, why not?

(e) What are the offices in the Madras Circle which, according to the standard laid down by the Department, require the Sub-Postmasters to be placed in selection grade but who are in time-scale and when will they be raised to selection grade?

Mr. H. A. Sams: (a) to (e). Government have no information.

APPOINTMENT OF A PACKER IN THE MUMMUDIVARAM SUB-POST OFFICE.

377. Mr. O. S. Ranga Iyer: (a) Will Government be pleased to state whether there is no provision of a packer or letter-box peon in Mummudivaram Sub-Post Office, although it is a delivery office and has three letter boxes attached to it away from the Post Office?

(b) Who is doing the work of the packer or letter box peon in the office?

(c) Do Government propose to have inquiries made in the matter and sanction a packer early? If not, why not?

(d) Are there any more offices in the Madras Circle where no packers have been sanctioned and in consequence the Sub-Postmaster or clerical staff have to do the menial work and, if so, what are they and why has not the packer been sanctioned for such offices?

Mr. H. A. Sams: (a), (b), (c) and (d). Government have no information. The matter is within the competence of the Postmaster-General, Madras.

APPOINTMENT OF SUPERVISORS IN THE POSTAL DEPARTMENT.

378. Mr. O. S. Ranga Iyer: (a) Will Government be pleased to state whether it is a fact that Mr. Bewoor, the author of the new time test has recommended the creation of the appointment of supervisors in the more important offices and departments in the Postal Department?

(b) Is it a fact that the recommendation has been accepted by Government?

(c) Have Government sanctioned the creation of such additional supervisors anywhere in India and Burma and, if so, how many such appointments have been created? If not, why not?

Mr. J. A. Shillidy: (a) and (b). The facts are substantially as stated.

(c) The whole question of the staff justified by the revised time-tests is under examination by Heads of Circles. It will not, however, be possible to create a new class of posts until the finances of the Department have considerably improved.

APPOINTMENT OF AN ADDITIONAL PEON IN THE SURYARAOPET SUB-POST OFFICE.

379. Mr. O. S. Ranga Iyer: (a) Will Government be pleased to state whether it is a fact that Suryaraopet sub-office has only a packer but no letter-box peon or mail peon?

(b) Has the packer to clear 5 letter-boxes away from the post office twice a day and it takes not less than 1½ hours to go round the post boxes each time?

(c) Has he to go to the Railway Station more than once a day, which is more than a mile from the post office for bringing the mails?

(d) Has he to go to Cocanada Head Office, which is again more than a mile from his office for bringing the account bag and mail bag?

(e) Since he has to do all this work during the day, is it a fact that the packer has little or no time to do the stamping, packing and other menial work of the office and that the Sub-Postmaster and clerk have to do the work?

(f) Is it a fact that the packer has to do the same work on Sundays and holidays and has absolutely no rest throughout the year?

(g) Are Government prepared to have the matter immediately inquired into and sanction additional menial staff for the office to afford relief to the clerical staff and the present over-worked menial? If not, why not?

Mr. H. A. Sams: (a) to (g). Government have no information. The matter is within the competence of the Postmaster-General, Madras.

ADDITIONAL APPOINTMENTS IN THE MADRAS GENERAL POST OFFICE.

380. **Mr. C. S. Ranga Iyer:** With reference to the replies of the Government to starred questions Nos. 184 and 187 of Rao Bahadur P. T. Kumarasawmi Chettiar in the Legislative Assembly at the last session, will Government be pleased to lay on the table the replies that were furnished to the Honourable Member and whether additional selection grade appointments in the Correspondence and Foreign Money Order Departments of Madras General Post Office have been sanctioned? If not, why not?

Mr. H. A. Sams: The Director-General's demi-official letters Nos. 294-Est.-B./30, dated 17th September, 1930, and 292-Est.-B./30, dated 16th September, 1930, in which the replies were furnished are on record in the Library of the House. The question of a selection-grade appointment for the Foreign Money Order Department of the Madras General Post Office is still under examination. No proposal for any additional selection-grade appointment in the Correspondence Department of the Madras General Post Office has been received from the Postmaster-General.

NEW GOVERNMENT PENSION RULES.

381. **Mr. C. S. Ranga Iyer:** With reference to the reply of the Government to starred question No. 94 of Mr. Lalchand Navalrai answered in the Legislative Assembly on the 21st January, 1930, will Government be pleased to state whether they have since completed their preparation of the new pension rules and, if so, will they please lay them on the table? If not, will they please state the progress so far made and expedite the introduction of the new rules? Are they aware of the sad plight in which the families of Government servants are left on the death of officials dying in harness after many years of hard and honest service?

The Honourable Sir George Schuster: The pension rules are still under consideration. I have nothing to add to my reply to the question by Mr. Lalchand Navalrai referred to by the Honourable Member, except to draw his attention to parts (c) and (d) of my reply given on the 5th March, 1930, to unstarred question No. 228 by Sir Zulfikar Ali Khan.

ALLOWANCE FOR CERTAIN POSTMEN IN THE MADRAS GENERAL POST OFFICE.

382. **Mr. C. S. Ranga Iyer:** (a) Will Government be pleased to state whether it is a fact that the duty of some postmen in the Madras General Post Office is restricted to delivering insured letters only and each postman carries insured articles aggregating to about Rs. 2,000 for each delivery?

(b) Is it a fact that these postmen have furnished enhanced security of about Rs. 1,000?

(c) Is it a fact that in the beginning when the system was introduced these special postmen were paid an extra allowance for their having furnished additional security and performing work carrying heavy financial responsibility?

(d) Is it a fact that the extra allowance was discontinued after it was paid for some time, although the work and responsibility are still shouldered by the officials and, if so, why?

(e) Is it a fact that the postmen at Rangoon who perform similar work at Rangoon continue to draw the extra allowance?

(f) Has any representation been received from the officials praying for the restoration of the allowance and, if so, do Government propose to consider it sympathetically? If not, why not?

Mr. H. A. Sams: (a), (c), (d) and (e). The information wanted by the Honourable Member will be found (i) in the reply given to Mr. Abdul Latif Sahib Farookhi's starred question No. 485 in the Legislative Assembly on the 11th February, 1929, and (ii) the Director-General's demi-official letter No. 341-Est.-A./30, dated 16th July, 1930, to the same Honourable Member in reply to his starred question No. 839 in the Legislative Assembly on the 28th March, 1930. A copy of the demi-official letter is on record in the Library of the House.

(b) The security of Rs. 2,000 formerly furnished by each of the postmen in question has been reduced to Rs. 250.

(f) The postmen concerned submitted representations to the Director-General more than once for the grant to them of an improved scale of pay, and the Director-General, after a careful consideration of the question, decided that no case existed for acceding to their request. In view also of the reply to (b) above, no case also exists for the restoration of the allowance.

UNSUITABLE ACCOMMODATION IN THE SURYAROWPET POST OFFICE BUILDINGS.

383. Mr. C. S. Ranga Iyer: (a) Will Government be pleased to state the total plinth area of the Suryarowpet Post Office buildings in the Madras Circle and the number of officials working in the office and whether it meets with the standard requirements after making due allowance for storage of books and forms?

(b) Is the post office situated in a low room measuring about 10' x 12' with two small windows about 2' x 1½', which are used as counters and which are crowded by the public obstructing light and breeze into the office?

(c) Are Government aware that the building is a very old one and leaky, very badly requiring repairs and that it is the habitation of rats and reptiles of the locality?

(d) Is it a fact that in spite of innumerable reports no action has been taken to overhaul the building thoroughly or to move to another building?

(e) Are Government prepared to cause immediate enquiries in the matter and set matters right? If not, why not?

Mr. H. A. Sams: These are matters within the competence of the Postmaster-General, who will apply for the sanction of Government in regard to any matter which required such sanction.

UNSUITABLE ACCOMMODATION IN THE GUNTUR BAZAR POST OFFICE BUILDING.

384. Mr. O. S. Ranga Iyer: (a) Will Government be pleased to state the plinth area of the building used for the post office proper of the Guntur Bazaar Post Office?

(b) What is the area covered by furniture in the post office?

(c) What is the strength of the staff working in the post office?

(d) Is it a fact that it is a very busy office?

(e) Is it a fact that the building is quite insufficient as per standard requirements laid down by the Department and are Government aware that it is very badly ventilated and even the small door and windows which allow some light inside the building are crowded by the public?

(f) Is there any proposal to shift the post office to a better building and, if so, do they propose to expedite the matter and, if not why not?

Mr. H. A. Sams: Information is being collected and will be furnished to the Honourable Member in due course.

CONGESTED QUARTERS OF THE GENERAL POST OFFICE BUILDINGS AT MADRAS.

385. Mr. O. S. Ranga Iyer: (a) With reference to reply to part (c) of starred question No. 189 of Rao Bahadur P. T. Kumarasami Chetty answered on the 16th July, 1930 (regarding congested quarters of the General Post Office Buildings at Madras), will Government be pleased to state as to why the site was purchased 16 years back when Government still do not consider the necessity to construct a building for the General Post Office and other offices?

(b) Do Government propose to sell away the site since they do not propose to construct a post office? If not, why not? Does the site fetch a return of 2 per cent.?

(c) With reference to the reply to part (b) of the question quoted above will Government be pleased to lay on the table the reply furnished to the Honourable Member?

(d) With reference to the reply to part (f) of the same question, will Government be pleased to state the plinth area of the department?

(e) What is the area occupied by the post boxes and other furniture and the area occupied by the public who come to the post boxes and is the balance left sufficient for the staff to move about and sort a huge quantity of covers and packets?

(f) Is it a fact that at the main entrance of the department there is a big staircase of the General Post Office buildings practically obstructing the department from any light or air except for two small door ways at the ends?

(g) Is it a fact that there is no window in the department and even the little light or air that may pass through the doorways are obstructed by the post boxes?

(h) Is it a fact that this place was always used as the place for storing books, forms or bags?

(i) Are Government prepared to consult the Director of Public Health, Madras and ascertain from him whether the place is fit for officials to work? If not, why not?

Mr. H. A. Sams: (a) The buildings for which the site was purchased will be constructed when funds are available. In the meantime part of the site is leased for Rs. 218 per mensem.

(b) Does not arise in view of the reply under (a) above.

(c) The reply furnished to the Honourable Member is in the Library of the House.

(d) to (h). Government have no information.

(i) Government do not consider this necessary.

POSTAL MAIL CONTRACTOR AT MADRAS.

386. Mr. O. S. Ranga Iyer: (a) Will Government be pleased to state who is the postal mail contractor at Madras and what is the amount paid to him every month?

(b) What is the period of the contract and when does the contract terminate?

(c) What are the terms of the contract? How many cars has he to maintain and for how many miles has the mails to be carried on the average per day?

(d) Were any tenders called for at the time the contract was given and how many tenders were received and was the tender of the mail contractor the lowest? If not, why was his tender accepted?

(e) If the contract is to cease in the near future, do Government propose to call for tenders by publication in all newspapers in Madras sufficiently in advance? If not, why not?

Mr. H. A. Sams: (a) Messrs. The Garage Limited who are paid Rs. 10,000 per mensem.

(b) 15 years, terminating on the 15th May, 1936.

(c) A copy of the agreement will be sent to the Honourable Member. The number of cars to be maintained is settled by the Postmaster General, Madras, 500 miles daily.

(d) Yes. Five tenders were received. The tender of the present mail motor contractor was the lowest. The last part of the question does not arise.

(e) Does not arise in view of the reply to (b) above.

CONVENTION FIXING THE HOURS OF WORK OF SALARIED EMPLOYEES.

387. Mr. O. S. Ranga Iyer: (a) Will Government be pleased to state whether it is a fact that at the last International Labour Conference a convention was passed by which the hours of work of salaried employees including those of the post office were fixed at 48 hours a week?

(b) Is it a fact that in the Posts and Telegraphs Department the weekly hours of work are much longer since the postal officials have to work on Sundays and holidays also?

(c) Are not Government bound to place the Convention before this House and obtain ratification and, if so, why have they not done so?

(d) Are Government prepared to take early action as per Convention to restrict the hours of work of postal employees to the prescribed limit of 48 hours a week and, wherever it is found impracticable to do so, on account of exigencies of service, pay special allowance to the staff? If not, why not?

Mr. J. A. Shillidy: (a) This is not strictly accurate and I would refer the Honourable Member to the terms of the Convention, copies of which are in the hands of Honourable Members.

(b) No.

(c) The Government of India are bound to place the Draft Convention before the Central Legislature and will do so very shortly. But India is not bound to ratify the draft Convention.

(d) The Honourable Member's attention is drawn to the resolution regarding the draft Convention, of which I have given notice.

SUPERANNUATION OF POSTAL OFFICIALS.

388. Mr. O. S. Ranga Iyer: (a) Will Government be pleased to state whether it is a fact that Government officials of gazetted rank are as a rule superannuated at the age of 55 years?

(b) Is it a fact that in the non-gazetted rank the rule has been relaxed and, except in proved cases of incompetency, the officials are allowed to work till the sixtieth year?

(c) What is the reason for the discriminatory treatment between the gazetted and non-gazetted ranks?

(d) Are Government aware that on account of inadequacy of appointments in the selection grades of Rs. 160—250—and 250—350 in the Postal Department the grant of extensions to officials in the ranks very adversely affects the prospects of the senior qualified men in the time-scale, who have to retire without getting the chance of an appointment in the selection grade?

(e) Is it a fact that in the Madras Postal Circle the non-gazetted officials are very freely allowed to continue in service till the sixtieth year?

(f) Have Government considered whether compulsory superannuation of officials at 55 years reduces the working expenses and gives some relief to the Department?

(g) If so, do Government propose to superannuate all officials in the Postal Department at 55 years? If not, why not?

Mr. J. A. Shillidy: (a), (b), (c) and (d). I would refer the Honourable Member to clauses (a) and (b) of Rule 56 of the Fundamental Rules, a copy of which is in the Library of the House. The distinction is not between gazetted and non-gazetted ranks, but between ministerial and non-ministerial servants and is based on the nature of their respective duties.

(e) Yes, under the rule referred to in the reply to (a), (b), (c) and (d) above. This rule is of general application.

(f) Government considered the question and came to the general conclusion that it was uneconomic to retire ministerial servants who were still efficient.

(g) Does not arise.

PROVISION OF A POST OFFICE AT THEAGAROYANAGAR.

389. **Mr. C. S. Ranga Iyer:** (a) Will Government be pleased to state whether it is a fact that the population of Theagaroyanagar has now increased immensely as a result of the construction of new bungalows and houses?

(b) Is it a fact that a post office has not yet been opened in the locality in spite of numerous requests from the Theagaroyanagar Civic Association and generally from the residents of the area?

(c) Is it a fact that a representation has been received by the Postmaster-General, Madras, from the Civic Association and the residents of the locality asking the Postmaster-General to locate the Post Office near the civic centre and not at a place which is not central in the locality? If so, what action has been taken in the matter?

(d) Are Government prepared to open the post office immediately and afford earlier delivery and later posting of letters and all the postal facilities? If not, why not?

Mr. H. A. Sams: (a) to (d). Government have no information. The matter is entirely within the competence of the Postmaster-General, Madras, to whom a copy of the question will be sent.

PROMOTIONS IN THE GOVERNMENT OF INDIA SECRETARIAT AND ATTACHED OFFICES.

390. **Kunwar Raghubir Singh:** (a) Is it a fact that, in the penultimate paragraph of the Home Department Memo., dated the 18th February, 1931 (regarding the recruitment and promotions of ministerial establishment in the Government of India Secretariat and their Attached Offices), special provision has been made for the promotion to the assistant's grade in Attached Offices of persons engaged in the Routine Division but qualified for the Second Division, *vis.*, 88½ per cent. as against 10 per cent. allotted to those qualified for the Routine Division only? If so, why has this direction been made?

(b) Similarly in the Secretariat proper are there persons who are employed in the Second Division but are qualified for the First Division of Attached Offices also?

(c) If so, are Government prepared to give them reasonable preference and to make a special concession for their promotion to the First Division?

The Honourable Sir James Orerar: (a) The Honourable Member appears to be under some misapprehension as to the exact position. The Home Department orders of 1928 introducing the new system of recruitment provided for the promotion in exceptional cases, and in a limited proportion of vacancies, of Routine Division clerks in the Secretariat to the Second Division and so to the First Division of the Secretariat. In 1929 it was brought to notice that no similar avenue of promotion existed for Routine Division clerks working in Attached Offices, and it was, therefore, decided that promotion of these clerks to a maximum of 10 per cent. of vacancies occurring in the First Division of Attached Offices should be permitted. When the question of recruitment was under examination last year, it came to notice that, while Routine Division clerks had been made eligible, men who had passed for the Second Division, Secretariat, and were employed in Attached Offices, were not so eligible for promotion to the First Division of Attached Offices, and it is in order to provide for these men and not to interfere with the chances of promotion of the former that the 10 per cent. has been temporarily increased to 33 1/3 per cent.

(b) and (c). There are persons employed in the Second Division of the Secretariat who are qualified for the First Division, Attached Offices, but not for the First Division, Secretariat. These men are eligible for promotion to the First Division, Secretariat, in the quota of vacancies to be filled by promotion from unqualified candidates in the Second Division.

SHORT NOTICE QUESTION AND ANSWER.

IMPORT DUTY ON TEA.

Mr. E. Studd: (a) Is the Honourable Member for Commerce aware that, in consequence of over supply, there is an abundance of cheap Indian grown tea available for sale in India?

(b) Is the Honourable Member aware that both British and Indian planters desire that an import duty should be placed upon foreign produced tea that is imported into this country?

(c) Are Government prepared to consider the desirability of imposing such a duty in the near future?

The Honourable Sir George Rainy: (a) and (b). I am prepared to take it from the Honourable Member that the facts are as he has stated them.

(c) With reference to this part of the Honourable Member's question, I would remind the Honourable Member that tea imported from abroad is already liable to an import duty. An import duty of 15 per cent. *ad valorem* is levied under the Indian Tariff Act and an additional surcharge of 5 per cent. *ad valorem* is at present being levied under the Provisional Collection of Taxes Act in accordance with the proposals made in the Finance Bill which is now before the Legislature. No reasons for a further increase in these duties have yet been placed before Government.

ALLEGATIONS OF PARTIALITY ON THE PART OF THE CHAIR.

Mr. President: My attention has been drawn to the statement which the Honourable Member, Mr. Shahani, made during his speech on the Finance Bill as follows:

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If I had heard the speech at the time I would have called upon him to withdraw it unreservedly; but being engaged with the Deputy President, I missed it. The House will recognise that the Honourable Member has thought fit to level charges against the Chair of partiality towards some sections of the House and, by implication, of unfair treatment to one important section. I am sure Honourable Members will agree that such a statement ought not to be allowed to remain in the proceedings without being substantiated. If any Member is dissatisfied with the conduct of the Chair, his only course is to table a definite motion of non-confidence. I must now ask the Honourable Member to unreservedly withdraw these remarks and tender an unqualified apology to the Chair (Applause) and ask for these remarks to be expunged from the proceedings. If the Honourable Member will not agree to this, the Chair will have no option but to leave the matter in the hands of the Honourable House.

Mr. S. C. Shahani (Sind: Non-Muhammadan Rural): Sir, I am glad that you have placed the matter before the House today. I have first to draw the attention of the House to the fact that the corrected copy of my speech is not used on this occasion. I have not spoken of "Brahmins" but of "Burmans". My statement was,—one portion of it has been omitted—that I was very anxious for true budgetary criticism being secured in the House, and I therefore referred to the procedure that was adopted in the American Congress. I did not find fault merely with the manner in which the debate on the Budget was being regulated in the House. I complained that the Governor General, instead of allotting 15 days for the discussion on Demands, which he had the power to do, had allotted only 4. The second thing of which I complained was, as the Leader of my own party complained, and according to me rightly, that all the information that should be placed before the Members by the Government was not being placed before them; and in the third instance I said that, according to me, that is to say, according to my observation, the debate in the House was not being properly regulated. I did not know that, according to recognised procedure or according to the rules, it was not competent to the Members of the House to seek to bring about a correction by a gentle hint thrown out in the House, and that the only alternative left to the Members of the House, if they were dissatisfied, was to propose a vote of no-confidence. I thought that a reference such as I made would apply the necessary corrective; and hereafter we should have no cause to complain. I alone have not observed what I have stated; there are several in the House who have made the same complaint (*Cries of "No, no", "None" "Name them".*) Sir, if I am not to make my statement, and if I am to be condemned unheard, I would resume my seat. But if you would allow me an opportunity of giving expression to my views regarding what you have said then I would do so.

† The passage was expunged by the direction of the House—see page 2534.

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhamadan Urban): Sir, on a point of order, the Honourable Member surely cannot take this opportunity to justify his observations. You, Sir, have already pointed out that that justification can only be properly made on a motion of non-confidence; and at this stage the only question is whether he is prepared to withdraw his observations or not. If on the other hand this debate were to go on on the basis whether he is prepared to justify those remarks it would be a very different matter.

Mr. O. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muhamadan Rural): Sir, on a point of order, I think it is open to the Honourable Member to explain the circumstances in which he made that statement before he withdraws it, and explain why he made that statement and then withdraw. As you have made a statement, I think it is but fair that he should be given a full opportunity of saying in what circumstances he made that statement and then he will form his conclusions, and I believe, withdraw it. If on the other hand the Deputy Leader of the Independent Party wants to shut out a Member of my party who I believe was going to withdraw, I think it is only tyranny of one party over the other.

Mr. President: Order, order. I am sorry but I do not want to allow any discussion on this matter. I did not interrupt the Honourable Member in the observations that he was making. I think even Mr. Ranga Iyer will admit that the issue that I have placed before the House has no reference to other parts of his speech on the occasion; and the Honourable Member will I hope recognise that the Honourable Member had no occasion of repeating what he said about other matters and about what he said in regard to the American procedure. I read out to him only the portion of his speech which has a direct bearing on the manner in which the Chair has regulated the proceedings. The Honourable Member has two courses open to him. I will not, unless the House forces me to do so, accept a qualified withdrawal. The Honourable Member must make up his mind whether he will withdraw his remarks unreservedly and express regret for his reflection on the Chair which stands for the dignity of the whole House (Applause). If the Honourable Member had been well-advised he would have got up and said either that he wishes unconditionally to withdraw and express his regret or that he adheres to what he stated in his observations. I have already indicated in my speech that if the Honourable Member decides to adopt the latter course, I will leave the matter to the House and the House can deal with it in any manner it likes.

Mr. O. S. Ranga Iyer: Sir, on a point of order. As you read out a statement which I take it is the official report I think he was within his rights to point out the inaccuracy of the report as we know that certain parts of the official reports are not perfect.

Mr. President: The Honourable Member surely does not wish that the Chair should read out the whole speech extending over 35 minutes which the Honourable Member delivered.

Mr. O. S. Ranga Iyer: On a point of order, I was only suggesting that the Honourable Member was entitled to point out the inaccuracies in the portion that you read out from the report before he withdraws his statement. And I thought that this little latitude to him in view of the circumstances before launching the House on a discussion on this matter

was but right, so that the House may not have the unnecessary misfortune of discussing a matter of this kind. Therefore I suggest that it is better to give him an opportunity to say what he has to say so that the House may be relieved of the necessity of going into the question; because I do still believe that the Honourable Member will be meeting the situation in the manner required. Therefore I do not want that he should be deprived of the chance of having his say, so that in any case if the House has to go into the matter the Honourable Members will be entitled to go into it; but if on the other hand he makes up his mind after making this statement to withdraw those remarks, we will be relieved of the necessity of going into the question. And I still believe he will withdraw.

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadan Rural): Sir, on a point of information, I want to know whether even if this portion is expunged from the proceedings, the statement now made by the Chair will be in the proceedings. In that case I beg to point out that the remedy sought will be almost ineffectual, because if it does not appear in one place it will appear in another place.

Mr. President: I can assure the Honourable Member that the only thing that I heard from the Honourable Member as regards challenging the correctness of the proceedings which I read out was that I read out "Brahmins" instead of "Burmans". The Honourable Member

12 Noon. has not challenged the accuracy of the official Report in any other way. On the contrary, the Honourable Member has made an allegation which is more serious than he had made before, because what he alleges is that it is not he alone who is dissatisfied with the manner in which the Chair has regulated the proceedings, but that there are several other Members of the House who hold the same view. I will call upon the Member to name those Members and if he refuses to do so, I will ask those Members who share the Honourable Member's views to get up in their seats which will prove whether the Honourable Member's statement is accurate or otherwise.

Mr. C. S. Ranga Iyer: I take strong exception to that, Sir. On a point of order, I should like to know whether it is in order to ask an Honourable Member in this House to name other Honourable Members. I want a ruling in the matter.

Mr. President: The question is obvious. The Honourable Member makes a specific allegation saying that there are several other members who are dissatisfied with the conduct of the Chair in regulating the proceedings. That is too serious an allegation to make, and it is perfectly in order to ask him to state who they are. If he wants to make vague allegations implicating other Honourable Members, I think it is perfectly in order to ask him to state in substantiation of those allegations who such Members are.

Mr. B. Das (Orissa Division: Non-Muhammadan): In that case, Sir, will you order the Press and the other galleries to be cleared, so that we can discuss this amongst ourselves?

Mr. Amar Nath Dutt: As a lawyer may I submit one thing? There is such a thing as privilege everywhere, in the law courts and elsewhere; and even in a law court you cannot ask a man to produce a document if he has objection; and here if he refuses and does not name those people, we cannot ask him to do so if he refuses.

Mr. President: The Honourable Member will be perfectly entitled to say that he refuses to comply with the request of the Chair to give those names; I will leave the House to draw its own conclusions if the Honourable Member has not the courage to state the authority on which he implicates other Honourable Members without naming them.

Mr. S. C. Shahani: I have to speak, I see, in regard to two points; firstly, whether I am justified in my reference to the context in which I made my speech or not. If you will definitely decide that no reference can be made to the context, I am prepared to abide by your ruling.

Mr. President: Will you please give an answer to the question I have definitely put to you, whether you are prepared to withdraw unreservedly the statement which I have read out to the House and to express your regret. If you are prepared to do so, well and good. If you are not prepared to do so, I will have no other alternative, but to leave the matter in the hands of the House. The Honourable Member is free to take such attitude as he likes; if he wishes to comply with the request of the Chair to withdraw unreservedly and to express his regret, I am quite prepared to allow him to speak, stating what he wishes to say, short of trying to justify the correctness of those allegations.

(Rai Sahib Harbilas Sardu motioned to Mr. S. C. Shahani.)

Mr. S. C. Shahani: I am not such soft clay as you seem to imagine I am.

Mr. President: The Honourable Member is again casting reflections on the Chair.

Mr. S. C. Shahani: Well, if reflections are to be cast, then I will not hesitate to do so. (*Cries of "Withdraw, withdraw."*)

Mr. President: The Honourable House has seen the attitude that the Honourable Member is taking up. He does not give me any answer as to whether he will withdraw or whether he will not, in the terms I have indicated.

Mr. S. C. Shahani: If I am only allowed an opportunity to speak two minutes, I would put before the House what I want to. The point is that I have not made the statement in a frivolous spirit. I cannot therefore come forward and say that what I said was untrue or incorrect. I am prepared to apologise for any pain that I may have caused to the Chair. I am prepared to do that; but beyond that I am not prepared to go. I am afraid only of my God. I am not afraid of the House or of any other agency in the world.

Mr. President: Very well; then I take it that the Honourable Member still maintains that the allegations he made reflecting on the conduct of the Chair are true:

Mr. S. C. Shahani: Yes.

Mr. President: And I take it that the Honourable Member is prepared to substantiate and prove his allegations?

Mr. S. C. Shahani: I am.

Mr. President: And that he is not prepared to withdraw in the manner I want him to withdraw?

Mr. S. C. Shahani: Not in that manner by any means.

Mr. President: Very well, then I leave the matter in the hands of the House.

The Honourable Sir George Rainy (Leader of the House): Sir, I do not think there is any Member of this House who has listened to what has fallen from the Honourable Mr. Shahani with any other feeling except the deepest possible regret. I should have thought it impossible that there was any Member in this House who did not know that the dignity and the authority of this House being incarnate in the Chair, any references in debate to the Chair and the conduct of the Chair must always be in the terms of the deepest respect and that any aspersions cast on the Chair are completely out of order (Hear, hear). You do not require to be assured, Mr. President, that you have the confidence of this House (Hear, hear) and as you have already ruled, the conduct of the Chair can only be called into question on a definite motion of no-confidence. But, the House has to consider its own position and what is consistent with its own dignity and that being so, I have to move that the passage which the Chair has read from the speech of Mr. Shahani be expunged from the proceedings of the Assembly. I will not use any harsh words, but as long as that passage remains on the record unwithdrawn I must say that it would be discreditable to this House.

Diwan Bahadur T. Rangachariar (South Arcot *cum* Chingleput: Non-Muhammadan Rural): Sir, it is with considerable feelings of pain and regret but without any feeling of hesitation that I rise to support the motion made by the Honourable the Leader of the House. The pain and regret are due to the fact that I stand here to join in condemning the action of an Honourable colleague of mine. As I have stated already, I feel and I have always felt since those remarks were brought to my notice that they were entirely unfounded in fact and that they were not justified by any circumstances whatsoever. They were entirely uncalled for on the occasion on which he was speaking. Sir, I have no hesitation in saying that the Chair embodies the dignity of the House, and if the Chair is insulted, we all take it as an insult to the whole House. (Applause.) Sir, you are there by our suffrage and you can be removed by our suffrage. If really an Honourable Member feels that all that my friend feels, the only course left open to him is to table a motion of no-confidence and not to take advantage of a debate on which he is allowed full freedom of speech on matters relevant to the issue before the House and digress into making attacks on the Chair. We who are accustomed to practise in Courts know what respect we owe to the officer who sits in the Chair. Similarly, Sir, you occupying the Chair of this distinguished House are entitled to protection, because if our privileges are attacked, you are there to protect us. Your predecessors have been very jealous in protecting the privileges of the Chair when they were sought to be invaded from some parts of the House, and we all supported him in any action he thought fit to take. Similarly, Sir, we are bound to support you. As I have told you, it is unnecessary for me to go into this question, because I do not think many Members of my party share the feeling to which my friend Mr. Shahani has given expression. I can speak for the majority of them, although I see I cannot speak with that unanimous support behind me with which I

[Diwan Bahadur T. Rangachariar.]

should have been glad to speak. But my executive committee before whom I placed this matter had no hesitation in passing a Resolution asking Mr. Shahani to withdraw those remarks unconditionally. I am very sorry that my friend still persists in the conduct which he has chosen to adopt. It would have been most graceful if he had withdrawn those remarks unreservedly but he has not done so and, Sir, I am sorry he has made matters worse by the attitude he has taken today. Sir, I feel that we must support the Chair, and I join in supporting the motion made by the Honourable the Leader of the House that those remarks be expunged from the proceedings of that day.

Sir Abdur Rahim (Calcutta and Suburbs : Muhammadan Urban): Sir, I associate myself entirely with what has fallen from the Honourable the Leader of the House and the Honourable the Leader of the Opposition. It is a matter of regret to every one of us that an incident like this should have happened, but there can be no two opinions on the question as to the impropriety and unjustifiable character of the statement made by Mr. Shahani in his speech the other day. I was not present at the time, but the passage that has been read out by you, Sir, is one which none can not only not approve of but every one must condemn it without any reserve or qualification. I should have thought that the Honourable Member had been perhaps guilty of a mere indiscretion, and when a proper opportunity was given to him he would withdraw his remarks and make ample apology for his indiscretion, but, Sir, in today's speech, as my friend Diwan Bahadur Rangachariar pointed out the Honourable Member has made matters worse; he has refused to withdraw his remarks, and by so doing he has really added further insult not only to the Chair but to the whole House. Sir, you will allow me to say and I am sure the whole House will agree with me, except perhaps Mr. Shahani and one or two friends of his.—I do not indeed know if there are any other Members who hold the same view as Mr. Shahani does—that the reflection on the Chair that the Chair was not regulating the proceedings in a fair and impartial manner is entirely unfounded, and I am sure every section of the House will support me when I say this. Sir, I strongly support the motion moved by the Honourable the Leader of the House that the passage in question be expunged entirely from the records.

Sir Hugh Cocke (Bombay : European): Sir, it seems hardly necessary for me to rise in this matter, but perhaps it is desirable that one should do so, so that there may be no misunderstanding on the question of supporting the motion which has been moved by the Honourable the Leader of the House. Sir, I was also not present on Saturday when the speech was made, and I regret I was not present this morning either when the speech was read out, but the essence of that speech has been communicated to me, and I have no hesitation whatever in joining my friends in condemning that speech and in regretting that the Honourable Member has not thought fit to withdraw his remarks. Sir, I support the motion.

Mr. Muhammad Yamin Khan (Agra Division : Muhammadan Rural): Sir, it is a matter of great regret to me to see the attitude of my Honourable friend Mr. Shahani today in not withdrawing the remarks which he made the other day against the Chair. I thought that he would have been

the first person to take the earliest opportunity as soon as it was offered to him to withdraw without any reservation the remarks which he had made, for which he ought to have repented by this time. But I found to my surprise—he is an old friend of mine, he was in the first Assembly—that he had not known the procedure of this House by this time. He ought to have respected the Chair, and by so doing he would have shown respect to the whole House. But obviously he has not tried to show that respect to the House by insisting on his attitude which he has adopted, and, Sir, this is really a matter of great regret to me. I think, Sir, that the whole House should support the motion which has been moved by the Honourable the Leader of the House and show to the world that the House is maintaining its dignity by supporting that motion which is due to this House, and no Member, I am sure, will refuse or hesitate to support the dignity of the Chair and indirectly the dignity of the House. Sir, I support this motion strongly.

Mr. Amar Nath Dutt: Sir, there is a ray of silver lining in the whole of this regrettable affair. Gentlemen whom I did not find so respectful to our predecessor in office have shown no change of heart, and have now come forward to show their respect to the Chair, as they ought to. Sir, I was also pleased at the very moderate and restricted speech of the Honourable the Leader of the House, and I wish the same restraint and moderation had been emulated by Leaders on this side of the House in order to smooth as much as possible the regrettable affair. But my regret is that the Honourable the Leader on this side of the House went further than the Honourable the Leader of the House, and that has caused some resentment among some Members on this side, because they do not entirely endorse the view expressed by the Honourable the Leader of the Opposition. He need not have taken the name of the party. It may be that he had consulted the executive committee, but I wish he had not spoken in the name of his party. Anyhow, I do not want to dilate on the matter further as I want that the whole thing should be made smooth. I wish the same spirit which has now taken possession of the House to uphold the dignity of the Chair will be persisted in future, whoever the occupant of the Chair may be, and further more the same spirit to uphold the dignity of the Chair might have been shown in previous years before the Honourable the President came into office.

Raja Sir Vasudeva Rajah (Madras: Landholders): On behalf of the Landholders in this Assembly, I should like to associate myself wholeheartedly with the observations made by the Leader of the House and also by the previous speakers. I am very sorry that such an incident should have taken place and a member of our Party should have been the cause of it. I respectfully assure you that you command our fullest confidence (Cheers), and we dissociate ourselves from the remarks made by Mr. Shahani.

Mr. President: The question that I have to put is . . .

Mr. S. C. Shahani: Am I not to be given an opportunity to speak on this?

Mr. President: You did not get up.

Mr. S. C. Shahani: I want to know if I am to be allowed to say anything in regard to this.

Mr. President: The Honourable Member has simply to get up in his seat if he wants to address the House. I looked in his direction several times, but he did not rise in his place. If the Honourable Member wishes to speak on the motion before the House, he is quite welcome to do so.

Mr. S. C. Shahani: Sir, I yield to none in my respect for the Chair (Cheers), and in my respect for the House. I am therefore prepared to withdraw any statement (Cheers) that has given offence to the Chair or to the House, more especially, as I have said, I made those remarks fully believing that I had the right not only to observe things in the House, but to give expression to my observation whenever I found that that was necessary. But since you have gone the length of saying that my statement was an untrue statement, on the ground that others in my party or outside my party have not been of that opinion

The Honourable Sir George Rainy: May I appeal to the Honourable Member. The House is only too anxious to pass from this matter. We know that he is ready in his heart of hearts to do what the House wants, and may I ask him, in response to the appeal of the House, simply to withdraw his statement? (*Cries of "Withdraw, withdraw."*)

Mr. S. C. Shahani: Sir, the Leader of the House has never objected to the statements made by Diwan Bahadur T. Rangachariar, and now he is objecting to my remarks in self-defence.

Mr. O. S. Ranga Iyer: On a point of order, Sir.

Mr. President: If it is a point of order only.

Mr. O. S. Ranga Iyer: I say on a point of order that the motion before the House, as put by the Leader of the House, is—I want Mr. Shahani also to listen to me. (At this stage Mr. Shahani was seen talking to his neighbour.) Order, order. (Laughter.) The motion before the House as put by the Leader of the House is that from the proceedings these observations be expunged. I do not think that Mr. Shahani is keen that these observations should remain in the proceedings. He has already expressed his regret to the Chair. He has already expressed his regret to the House

Mr. President: Order, order. That is not a point of order. The Honourable Member (Mr. Shahani) has not complied with my request to withdraw those observations, to express his regret, and to ask that these passages should be expunged. That was my request. He refused it. Mr. Ranga Iyer may say so, but the Honourable Member has not done it, and he has still an opportunity, before I put the question to the House, to say these things,—that he withdraws these allegations, that he expresses his regret, and that he asks that this passage should be expunged from the proceedings. It is perfectly open to him to do that even now

Mr. O. S. Ranga Iyer: I was coming to that

Mr. President: The Honourable Member Mr. Ranga Iyer said that he has done it. He has not done it. (At this stage Mr. S. C. Shahani rose in his place.) Order, order. I am going to give him one more opportunity. He is entitled as a Member of this House to take part in the debate that is now taking place, and he can say anything he likes, relevant to the motion before the House. Whether he wishes to comply with my request, which I see is being largely supported by the House, (*Some Honourable*

Members: "Whole-heartedly.") or merely wishes to claim his right to address the House on the motion before the House, he is perfectly welcome to do so.

Mr. S. O. Shahani: Sir, I am prepared to apologise to you for the pain I have caused you, and I am prepared to apologise to the House for the same, but if you expect that I would come forward and say that my remarks were false or untrue, I am not prepared to do that. If the House wishes that my remarks should not appear in the proceedings

Mr. R. K. Shanmukham Chetty (Salem and Coimbatore cum North Arcot: Non-Muhammadan Rural): Sir, I suggest that, in spite of the repeated attempts on the part of the Leader of the House and every section of the House, and in spite of the appeal that has been made to the Honourable Member, if he persists in this kind of conduct, he ought not to be allowed to speak in this House. If the Honourable Member persists in that kind of speech, it is not merely an insult to the Chair but it is defying the authority of the whole House, and you, Sir, as the custodian of the dignity of this House, ought not to allow the Honourable Member to speak on this occasion.

Sir Hari Singh Gour (Central Provinces Hindi Divisions: Non-Muhammadan): I am afraid that there has been a great deal of misunderstanding on this subject. I am sure that my old and esteemed friend Mr. Shahani was more or less carried away by the temper of the moment, and that on reflection he will see that it is conducive to the maintenance of the honour and dignity of the House, of which you are the embodiment, that he should not allow the remarks, that he let drop quite unwittingly the other day, to remain a part of the proceedings of this House. I am quite sure that it is Mr. Shahani's object, and I think that Mr. Shahani wants that these remarks should be expunged

Mr. S. O. Shahani: I have already said so.

Sir Hari Singh Gour: That is the first point. Now, comes the next point. Mr. Shahani regrets. (*Mr. K. Ahmed*: "Unconditionally.") I appeal to Mr. Shahani to let these proceedings close by expressing his regret which, as a gentleman, I am quite sure that he will do. (There were a number of interruptions.) If you will all interrupt me, how can I go on? I am perfectly certain—let Mr. Shahani cool down and I know what he means. He is perfectly prepared to express regret that he let fall these expressions and that they are unjustifiable. I hope that this will close this most unsavoury incident, and I hope that Mr. Shahani will express his apology.

Mr. S. O. Shahani: I have already expressed my regret. I apologise to you for the pain I have caused to you, and, Sir, I do not object to my remarks being expunged.

Nawab Sir Sahibzada Abdul Qayyum (Nominated Non-Official): Just on a point of information, Sir, I see that appeals are made from every corner of the House to the Honourable Member who has made himself the chief figure in this debate to-day to withdraw his objectionable remarks but with no success, so I should like to know whether this is the only procedure that can be adopted according to Standing Orders or whether under the rules there is any other action that can be taken under these or similar circumstances?

Sardar Sant Singh (West Punjab: Sikh): On a point of order, Sir . .

Mr. President: Will the Honourable Member (Sardar Sant Singh) resume his seat? The Honourable Nawab Sir Abdul Qaiyum is addressing the House.

Nawab Sir Sahibzada Abdul Qaiyum: That is all I have got to say.

Mr. President: That is a matter which is open to Honourable Members to consider,—what action they wish collectively to take. I am not concerned with that. I am at present only concerned with the motion which is before the House, and that motion is that this passage from the speech of the Honourable Member be expunged. The Honourable Member can still, if he wishes—I want to give him one more opportunity of withdrawing those remarks unconditionally, of expressing his regret for having made those remarks, and of asking that the passage should be expunged. (*Sir Hari Singh Gour:* "That he has done.") Honourable Members expect that I should maintain the dignity of the whole House. This is not a question in which I am personally concerned. It is perfectly open for every Member of the House to investigate from the records the manner in which I have tried to regulate the proceedings of this House. I am not trying to justify myself, because that would be inconsistent with the dignity of the Chair. (*An Honourable Member:* "No justification is necessary.") I have asked the House to deal with the matter as it likes. It is for the House to decide what they will be satisfied with. The Honourable Member has not tried to withdraw the alleged justification for the remarks that he made. He has repeatedly said that he still claims that what he said was true without producing an iota of evidence. If the Honourable Member is entitled to take any attitude that he likes, it is for the House to decide what they will do. I ask the Honourable Member once more whether he will unreservedly withdraw his remarks, express regret to the Chair for having made those remarks and whether he will also ask the House to expunge that passage from the proceedings. I have allowed the Honourable Member plenty of latitude. I will now ask him whether he will accede to my request and say "Yes" and repeat those words or whether he would say "No".

Mr. S. O. Shahani: I rise to state that I am very sorry for the pain that I have caused to the Chair and on that account I myself propose that the statements to which objection has been raised may not be included in the proceedings. Beyond that I am not prepared to go.

Mr. President: The House has followed the reply. I need not say anything more. The question is that the passage in question be expunged from the proceedings.

The motion was adopted unanimously.

Maulvi Muhammad Yakub (Rohilkund and Kumaon Divisions: Muhammadan Rural): The incident which has taken place this morning has very much touched our minds. It is for the first time, during the last seven years that I have been in this House, that the dignity of the Chair has been invaded in the manner in which it was invaded this morning, and I think that the action which has been taken, namely, that these remarks should be expunged from the proceedings, is not enough. I therefore move that you do take action under rule 16 of the Rules of Business. The Rule reads as follows:

"(1) The President shall preserve order and have all powers necessary for the purpose of enforcing his decisions on all points of order. He may direct any member whose conduct is in his opinion grossly disorderly to withdraw immediately from the

Assembly, and any member so ordered to withdraw shall do so forthwith and shall absent himself during the remainder of the day's meeting. If any member is ordered to withdraw a second time in the same session, the President may direct the member to absent himself from the meetings of the Assembly. . . . "

and so on.

I move that you do take action under sub-rule (2) and order the Honourable Mr. Shahani to withdraw.

The Honourable Sir George Rainy: I will speak for only two minutes. I think my Honourable friend Maulvi Muhammad Yakub is under a misapprehension. There can be no question of a motion asking the Chair to exercise its inherent powers, but, Sir, I am sure that at all times, if in your opinion, the conduct of any Member is grossly disorderly, you will have the full support of the House in the exercise of your powers. I may point out that in this case we have more than once been very close to, if we have not been over, the margin, because when an accusation is persisted in in a case of this kind, there might well be reason for the Chair to exercise its powers, but it is for the Chair to decide.

Mr. President: I do not wish any further discussion to take place on this issue. I do not propose to take any action of the kind that the Honourable Member Maulvi Muhammad Yakub has suggested. I am going to leave Honourable Members to think over what has happened today—a thing which has been most unpleasant to me personally. I would leave the position at that today in the hope that the Honourable Member will coolly consider the attitude which he has adopted throughout this unpleasant incident and even at this late stage will make an amends honorable to the Chair and to the House. The House has unanimously accepted the position it took up in the matter of expunging the passage from these proceedings. I will therefore close this debate. The Chair does not wish to take any further action in connection with this matter.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR THE DEPARTMENT OF COMMERCE.

Mr. President: I have to inform the House that the following Members have been elected to serve on the Standing Committee for the Department of Commerce, namely:

1. Seth Haji Abdoolah Haroon.
2. Mr. S. C. Sen.
3. Mr. H. P. Mody.

STATEMENTS LAID ON THE TABLE.

STORES PURCHASED BY THE HIGH COMMISSIONER FOR INDIA.

Mr. J. A. Shillidy (Secretary, Industries and Labour Department): I lay on the table a statement furnished by the High Commissioner for India showing all cases in which the lowest tenders have not been accepted by him in purchasing stores for the Government of India during the half year ending 31st December, 1930.

HIGH COMMISSION

INDIA STORE

ABSTRACT OF CASES in which tenders for stores demanded by the Central of the goods demanded were accepted on the grounds of superior facility of inspection,

HALF-YEAR ENDING

PART A.—Cases in which lower foreign tenders, including British tenders for tend

Stores ordered.	Contract Number.	Name of Contractor.	Amount of Contract.
			£ s. d.
Locomotives, X. A. type.	L. 1299/190/14-7-30 .	Vulcan Foundry, Ltd. .	137,412 0 0 (British).
Brushes, tooth .	L. 1585/2218/2-8-30 .	W. R. Speer and Son .	467 10 0 (British).
Steel tyres for carriage and wagon wheels.	L. 1706/2475/13-8-30 .	Royal Hungarian State Iron, Steel and Machine Works.	600 0 0 (Hungarian).
	L. 1707/2475/13-8-30 .	Brown Bayley's Steel Works, Ltd.	712 10 0 (British).
			1,312 10 0
Steel Axles, No. 3794.	L. 2260/3170/27-9-30 .	Royal Hungarian State Iron, Steel and Machine Works.	28,265 6 0 (Hungarian).
Steel Axles No. 460.	L. 2261/3170/27-9-30 .	John Baker and Bessemer, Ltd.	3,611 0 0 (British).
			31,876 6 0
Copper plates .	L. 2298/3924/30-9-30 .	W. Roberts and Company (Garston) 1928, Ltd.	690 0 0 (British). Delivery 3 weeks.

RE FOR INDIA.

DEPARTMENT.

Government, other than the lowest complying with the technical description quality, superior trustworthiness of the firm tendering, greater quicker delivery, etc.

31st DECEMBER, 1930.

foreign made goods, have been set aside wholly or partially in favour of British ers.

Lowest Tender not accepted.	Reason for acceptance.
<p>£ s. d. 123,985 0 0 (German).</p>	<p>The lowest tender was from a Continental firm which had had no experience of the new type of engine required. In view, also, of the many modifications to the design required by the Railway Board, the Consulting Engineers recommended that the order should be placed with the next lowest tenderer, a British firm, who had just completed a large order for the type of engine required, and with whom the reconsideration of design could be carried out under close and constant supervision. The case was submitted to the Government of India who issued instructions that the British tender should be accepted.</p>
<p>462 8 0 (French).</p>	<p>The accepted tender was the lowest suitable, having regard to the urgency of the indenter's requirements.</p>
<p>..</p>	<p>The lowest tender was from the Royal Hungarian State Works who had not previously supplied tyres for the Indian Railways. As the tyres were demanded by telegram and were required to reach India by November 1930, it was not considered advisable to entrust this firm with more than half the quantity required.</p>
<p>1,200 0 0 (Hungarian). ..</p>	<p>For the remaining 300 tyres, the next lowest tenderer was a Swedish firm offering delivery f. o. b. Gothenburg. This tender was passed over in favour of that from Messrs. Brown Bayley's Steel Works which was more advantageous considering the cost of inspection and the quicker delivery offered. The demand was for 4,254 axles of which the first instalment of 460 axles was required to reach India by 1st December 1930.</p>
<p>31,160 11 0 (Hungarian).</p>	<p>The lowest tender was that of the Royal Hungarian State Iron, Steel and Machine Works who had not previously manufactured axles for Indian Railways. In order to eliminate any risks of delay in supply (which might result from the possible rejection of the first Hungarian axles) it was decided to order 460 axles from the second lowest tenderer who could be relied upon to deliver satisfactorily.</p>
<p>655 0 0 (French). Delivery 12/14 weeks.</p>	<p>The plates were demanded by telegram and were stated to be required to arrive in Rangoon for certain the first week in December 1930. The order was therefore placed with the lowest tenderer offering delivery in accordance with the indenter's requirements.</p>

PART B.—Cases in which the

Stores ordered.	Contract number.	Name of Contractor.	Amount of Contract.
			£ s. d.
Medicines . . .	L. 1256/823/11-7-30 .	Burgoyne, Burbidges and Company, Ltd.	223 11 9 (British).
Lorry bodies for "Morris" chassis.	L. 1502/475/20-7-30 .	Morris Commercial Cars, Ltd.	1,260 12 0 (British).
Files . . .	L. 3195/5086/13-12-30	Ibbotson Brothers and Company, Ltd.	115 9 9 (British).
Canvas, flax .	L. 3329/5939/24-12-30	Baxter Brothers and Company, Ltd.	1,466 13 4
	L. 3330/5939/24-12-30	M. C. Thomson and Company, Ltd.	1,609 7 6
			3,076 0 10 (British).

PART C.—Cases in which the

Stores ordered.	Contract number.	Name of Contractor.	Amount of Contract.
			£ s. d.
Copper firebox tube plates.	L. 2607/4555/27-10-30	Vereinigte Deutsche Metallwerke A. G.	383 17 0 (German). Ready for inspection in 4 weeks.
Locomotive boilers	L. 2681/2196/1-11-30 .	Hannoversche Maschinenbau A. G.	5,014 0 0 (German).

discrimination is between British firms only.

Lowest Tender not accepted.	Reason for acceptance.
£ s. d. • 220 16 11 (British).	The accepted tender was the more advantageous, having regard to the cost and convenience of inspection.
1,229 5 0 (British).	The second lowest tender was accepted having regard to the earlier delivery offered, and to the request of the indenter that bodywork should be undertaken, whenever possible, by the builders of the chassis.
111 7 0 (British).	Accepted on account of the superior quality of the goods offered, which represented more than the difference in price.
..	The order was divided between the two lowest tenderers to secure the delivery required.
3,053 2 6 (British).	

discrimination is between Foreign firms.

Lowest Tender not accepted.	Reason for acceptance.
£ s. d. 350 11 10 (French). Delivery in 17 weeks.	The plates were demanded by telegram, and were required to arrive in Rangoon for certain the first week in February 1931. The order was, therefore, placed with the lowest tenderer offering delivery in accordance with the indenter's requirements.
4,082 0 0 (Spanish).	The accepted tender was the most advantageous taking into account the relative costs of inspection.

STATEMENTS LAID ON THE TABLE.

REVIEW OF THE CIVIL EXPENDITURE OF THE GOVERNMENT OF INDIA.

The Honourable Sir George Schuster (Finance Member): I beg to lay on the table* a Review of the Civil Expenditure of the Government of India in the six years ending with 1929-30.

NOTE ON THE DIFFERENCE BETWEEN NON-VOTED AND VOTED EXPENDITURE.

The Honourable Sir George Schuster (Finance Member): With your permission, I would like also to take this occasion to lay on the table a note that was asked for in the debate on Saturday on the difference between the non-voted and voted expenditure of the Central Government Budget estimates for 1930-31 and 1931-32.

Note by the Finance Department on the difference between the non-voted expenditure of the Central Government as shown in the budget estimate for 1931-32 and that shown in the budget estimates for 1930-31.

Under Section 67-A (3) of the Government of India Act, expenditure falling under the following heads is not subject to the vote of the Legislative Assembly:—

- (i) Interest and sinking fund charges on loans.
- (ii) Expenditure of which the amount is prescribed by or under any law.
- (iii) Salaries and pensions payable to or to the dependants of—
 - (a) persons appointed by or with the approval of His Majesty or by the Secretary of State in Council;
 - (b) chief commissioners and judicial commissioners;
 - (c) persons appointed before the first day of April, 1924, by the Governor General in Council or by a local government to services or posts classified by rules under the Act as superior services or posts.
- (iv) Sums payable to any person who is or has been in the Civil Service of the Crown in India under any order of the Secretary of State in Council or the Governor General in Council, or of a Governor, made upon an appeal to him in pursuance of rules made under the Act; and
- (v) Expenditure classified by the order of the Governor General in Council as:
 - (a) ecclesiastical,
 - (b) political,
 - (c) defence.

2. Of the above heads, (iii) (c) was inserted for the first time by the Government of India (Civil Services) Act, 1925. Expenditure falling thereunder, to the extent that it is not already covered by one of the other heads, will be non-votable for the

*The Review was placed in the Library of the House.

first time in 1931-32 by reason of the fact that the rules contemplated therein were promulgated with the sanction of the Secretary of State in Council only on the 15th October 1930—*vide* Home Department notification No. F-207/30 of that date published in the Gazette of India dated the 18th October, 1930. Apart from the accrual of increments and the growth in debt charges, this is practically the only reason for the increase in non-voted expenditure under certain heads in 1931-32. It does not involve an increase in the total expenditure of the Central Government, but a transfer from the voted to the non-voted category.

3. The following statement shows the distribution, as between voted and non-voted, of the gross expenditure of the Central Government as shown in the budgets presented to the legislature :

	1930-31.			1931-32.		
	Total.	Non-voted.	Percentage of non-voted to total.	Total.	Non-voted.	Percentage of non-voted to total.
Expenditure charged to revenue.	2,20,59	1,10,36	54	2,17,40	1,20,65	55
Expenditure not charged to revenue.	21,25	2,19	10	13,38	13	1
Total expenditure both charged and not charged to revenue.	2,41,84	1,21,55	50	2,30,78	1,20,78	52

4. If the debt charges are excluded from the figures, they will stand as follows :—

Expenditure charged to revenue.	1,70,24	70,84	42	1,63,78	70,76	43
Expenditure not charged to revenue.	21,25	2,19	10	13,38	13	1
Total expenditure both charged and not charged to revenue.	19,149	73,03	38	1,77,16	70,89	40

5. It will be seen from the above figures that, whether the debt charges are included or not, the percentage of non-voted expenditure charged to revenue to the total of such expenditure has risen by 1, while the percentage of expenditure both charged and not charged to revenue to the total of such expenditure has risen by 2. As a matter of fact, however, there is an actual *decrease* in the amount of non-voted expenditure as a whole, although this result has been brought about by a reduction of 80 lakhs in the gross military expenditure and by the disappearance of the provision of 2,05 lakhs made in 1930-31 for the capital outlay on the Bombay Land Scheme.

DEMAND FOR SUPPLEMENTARY GRANT IN RESPECT OF RAILWAYS.

APPROPRIATION FROM THE RESERVE FUND.

Mr. A. A. L. Parsons (Financial Commissioner, Railways): I beg to move:

"That a supplementary sum not exceeding Rs. 10,85,99,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending 31st March, 1931, in respect of 'Appropriation from the Reserve Fund'."

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): I do not like to oppose this motion because the money has been already spent and we have to pay for it but I should certainly like to take this opportunity of drawing the attention of the Honourable Member to be more careful in future, because if he is forming the habit of falling back on our reserves, then there will be no reserve left probably within two years. Now one Honourable Member tells me that it is already finished. Therefore, there is the greater reason for economy on the railway side; and I do implore Government that the question of retrenchment should be very seriously considered. The Honourable the Finance Member has promised to form a Retrenchment Committee, and I hope that either that Committee or some other Committee will consider in close detail the question about retrenchment, because it is impossible for us to have an excess expenditure in the same manner as we had last year.

Mr. A. A. L. Parsons: Sir, no one regrets more than I do the fact that in the circumstances of this year we have had a large deficit which is reflected in the figure of this Supplementary Grant for appropriation from the Reserve Fund. I do not think my Honourable friend wishes me to go into an explanation of the matter, for he knows that we are attempting to enforce all possible economies on the railways, so that our position may improve, and the whole subject was very fully gone into during the discussions on the Railway Budget. As my Honourable friend knows, we shall have to draw further on the Reserve next year, unless our traffic so improves as to make that course unnecessary. But he may rest assured that the Railway Board views with as much apprehension as he does these very large withdrawals from the accumulated reserves.

Mr. President: The question is:

"That a supplementary sum not exceeding Rs. 10,85,99,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1931, in respect of 'Appropriation from the Reserve Fund'."

The motion was adopted.

THE INDIAN FINANCE BILL—contd.

Mr. President: The Assembly will resume further consideration of the Finance Bill.

Diwan Bahadur T. Rangachariar (South Arcot cum Chingleput: Non-Muhammadian Rural): Sir, with your permission, I wish at this late stage

to propose an amendment to Mr. Mitra's amendment No. 30* which we are now considering; (*Honourable Members*: "Louder please"), namely, to insert the words "and clause 8" after the word "item" in his motion; that is to say, with the two clauses in this Bill dealing with kerosene oil—clause 8 dealing with the excise duty and this item No. 40 dealing with the import duty, the object of this amendment is to enable the House to express its view on the question whether the new increase under either head should be allowed or not, for while some of the Honourable Members are inclined to oppose both; there are others who support the increase in the excise, while they are inclined to oppose the increase in the import duty. Now there are those Honourable Members who wish to consider the two together, i.e., either to oppose both or neither. That is the position; that is to say, they want to preserve the existing state of things, to restore the *status quo ante* as it was before this Finance Bill was introduced. This motion of mine will give them an occasion to give their vote conveniently; that is, we want to oppose both the motions—the increase in the excise and the increase in the import duty at this stage. We do not want to vote partially. For having succeeded in voting down the proposal as regards the import duty by our vote—because we are also inclined to vote it down—they hope that when afterwards the question of excise duty comes up, although we are going to vote against it, they can support Government then this motion for increasing excise will be carried, so that the consequence will be the import duty will be reduced and the excise duty will be raised.

(Mr. Uppi Sahab Bahadur rose to interrupt the Honourable Member.)

Mr. President: The Honourable Member is seeking my permission, and is giving reasons why he thinks I should allow him, to move his amendment. As soon as the Honourable Member resumes his seat, I will ask the House what their wishes are. Then the Honourable Member (Mr. Uppi Sahab Bahadur) can address the House.

Mr. C. C. Biswas (Calcutta: Non-Muhammadan Urban): The Honourable Member is explaining why he wants a particular procedure to be adopted now. But what is the amendment? I want to know what is his amendment.

Diwan Bahadur T. Rangachariar: If my Honourable friend will follow the order sheet, and look at Mr. Mitra's amendment No. 30, to the effect that in respect of this particular item, viz., kerosene oil, the import duty be omitted, he will see that Mr. Mitra wants to oppose, by that amendment, the increase in the import duty proposed by the Government. My motion is to add after the word "item" the words "and clause 8", i.e., omit item of kerosene oil, and also clause 8 which imposes an extra excise duty, so that we may have the opportunity to vote on that once for all; that is to say if my amendment is carried, the two things will be put together. If my amendment is not carried, then we will have to decide for ourselves the subsequent procedure. We are in a difficult position because we do not want to walk together into the lobby under one heading and then

*"In Schedule II to the Bill the following item be omitted :

'40. Kerosene: also other mineral oil included in item 40, 9 pies per imperial gallon'."

[Diwan Bahadur T. Rangachariar.]

be divided under another heading. That is the dilemma which has arisen, and it is a very difficult position; and I therefore, Sir, propose this amendment; and I am asking for your leave to propose this amendment, the object of which is to afford an opportunity to this House to give expression to its considered opinion in this matter. I hope you will permit this to be done, Sir. No doubt it is late, but I submit it is in your discretion as President, Sir, to guide the debate in order to arrive at a true sense. After all, the Standing Order only says that a certain procedure shall ordinarily be pursued. This I submit is an extraordinary occasion on which your guidance is needed. Sir, I ask for leave.

Mr. President: The Honourable Member, Mr. Rangachariar, asks for the Chair's permission to allow him to move an amendment which will have the effect of bringing clause 8 into the amendment which is now before the House and which has been partly discussed. It is a procedure which is unusual. I have repeatedly said that in these matters the Chair will not stand in the way if the House unanimously desires a particular procedure to be adopted in a special case. Before the Chair can allow his amendment to be moved, it must be satisfied that the House unanimously or practically unanimously desires me to do so. I should therefore like to hear what Honourable Members have to say on the subject.

The Honourable Sir George Rainy (Leader of the House): I should like to point out, Sir, in the first place, that this amendment is, I think, clearly out of order. My submission is that under Standing Order 33 an amendment must be relevant to and within the scope of the motion to which it is proposed. The main question which has been put from the Chair is that Schedule II stand part of the Bill, to which an amendment has been moved that Item 40 be omitted. I submit that an amendment to this amendment which brings in clause 8 is not within the scope of the original motion. Apart from that, Sir, I think that the procedure proposed would be an undesirable deviation from the procedure laid down by the Rules and Standing Orders. The Honourable the Leader of the Opposition has pointed out from his point of view what might be the convenience of the arrangement, but it is equally open to any other Honourable Member in any other part of the House to argue that from his point of view there would be inconvenience. I am afraid, Sir, on behalf of Government I must object to the procedure proposed being adopted.

Mr. President: With reference to the remarks that have fallen from the Honourable the Leader of the House, I should like to remind him of what I have already stated as regards allowing the amendment to be moved. I am perfectly aware that the Rules and Standing Orders require a certain procedure and I am trying to regulate the proceedings accordingly. In the present instance kerosene oil is proposed to be taxed by way of import duty under one clause and by way of excise duty, under another clause. It is open to the House unanimously to desire that both clauses should be discussed together. If they do so I would not raise any objection. But as exception has been taken, the procedure shall be in accordance with the Rules and Standing Orders.

The House will now continue the debate on the original motion of Mr. S. C. Mitra.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, before I take up the specific question of kerosene oil, I will put before the House a hypothetical case. My friend, the Honourable the Law Member, is not here but I suppose Sir Hari Singh Gour will come forward and help me. Suppose I and a few others who deal in wheat have the monopoly of the sale of wheat in India and, by making a compact amongst ourselves, we raise artificially the price of wheat to an enormous extent, say to about 5 seers per rupee, then what protection can the law provide for poor consumers? I ask the Treasury Benches if there is any other method, short of the communistic method of taking forcible possession of my wheat, by which this trouble could be remedied. Is there any section in the Indian Penal Code which can prohibit me and my friend from controlling the sale of wheat and selling it to the consumers at an enormous profit? Can the Commerce Member suggest any legal action by which such monopoly or I should say robbery, can be avoided? I suppose when the Indian Penal Code was first framed, this system of monopoly, which is now so prevalent, probably did not exist. But now that these monopolies have become a very important question, some civilized methods ought to be devised without resorting to the methods of Communists and Bolsheviks and thus save the poor consumer from the hands of the cruel capitalists. Sir, this is just what is happening in the case of kerosene oil and petrol. Here is the system of monopoly and the prices are fixed by those people who control these oils in a particular manner, involving a very great loss to the consumers. I should like the Honourable the Finance Member to give some figures, as he promised to do on Saturday, showing the cost of the production of kerosene oil in Burma and the price at which it is sold in Rangoon and at what price it is sold in London. Of course, I do not know the figures myself just now for kerosene, but I know the figures for petrol, which I will quote when the duty on petrol comes up for consideration. I know that petrol produced in Rangoon is sold at less than half the price in London than it is sold in India. Now, that being the condition of affairs, is it not our duty as Members of the Central Legislature and as the guardians of the interests of the consumers to break down this monopoly and to bring them to their senses and force them to have only a reasonable profit? If this is really the question, I should like to know how the Honourable the Finance Member and how the Members on the Treasury Benches are going to deal with the situation. They are not only the guardians of the money, but they are also the guardians of the well-being of the people, and therefore they should see that people do get reasonable profits and should not be allowed to come down like vultures on the poor people whose income is very limited.

Now I suggest several methods to meet the situation, and I would like the Honourable Members on the Treasury Benches to give their opinion on them. One method is that the Government should appoint a Committee to control the prices. The Honourable the Finance Member may say that probably it is not right for the Government to interfere with the prices of the market. But when we see that there is a question of a monopoly and that capitalists artificially put up the prices, it is the duty of the Government to interfere in the interests of the poor people, if they do not want the people to adopt Bolshevik methods. The second method which I suggest is that a heavy excise duty and a very heavy export duty should be levied so that they may not be able to export it and sell it at a

[Dr. Ziauddin Ahmad.]

cheaper price outside India. This is the second method which might be considered. So I come forward not only to suggest that not only a heavy excise duty, but also a heavy export duty should be put on kerosene and petrol which are produced in this country, so that they may be sold here at reasonable prices. The third method is that Government should, like Salt and Opium, control the entire sale. In this case all profits will come to the State. The next method which I would like to suggest is that we ought to have a section in the Indian Penal Code to the effect that any person who puts heavy prices and forms a monopoly to control the prices in an unreasonable manner, should be punishable by the law of the land. I am sure that if the Government remain silent and allow these monopolies to go on in this way and do not adopt any methods whatsoever to control the prices, then I do not see what other method is open to the poor people except to fall back upon the communistic methods and take forcible possession of everything that is in the market.

Now, I come, Sir, to some figures about the kerosene oil. We find that the Burma Oil Company supplies 125 million gallons to India and we import 106 million gallons from outside. Out of this 106 million gallons which come from outside, the largest amount comes from Russia including Georgia and Azarbaijan; we get about 80 million gallons from Persia and about 29 million gallons from the United States of America which take the third place. Now, we find that more than half of the kerosene oil

1 P.M. consumed in this country is produced in Burma itself and if we could control the prices of the kerosene oil produced in this country, we automatically control the prices of kerosene oil coming to this country from abroad and this is a very important question. It is not good enough to reduce the import duty only. It is no use to put on some kind of excise duty because all these things will fall on the consumers. The thing which is most important and which is really of the first rate importance is to control the profits of these companies and try to see that these things are sold at reasonable prices to the consumers and that the capitalists are not unduly profited at the expense of the poorer people.

Sir, on the last occasion a reference was made to Burma, that is if Burma is separated, then what would happen to the kerosene oil. Of course, I am not very much interested directly in the problem of separation. Along with the other speakers, I leave it to Burma and if the Burmans want separation, let them have it, and if they do not want separation, we are not anxious to throw them out. If Burma is separated, then one mistake we ought not to make, i.e., build up custom barriers between India and Burma. We ought not to repeat the mistake which the Central European countries did at the time when these States were formed at Versailles without any detailed consideration. The boundary lines were drawn on a map by means of a pencil. The result of such artificial division without custom freedom proved to be disastrous. I take this case of sugar; the sugar factories happened to be in one country and all the villages producing sugar-cane in another country. Between these two countries, they had a very heavy duty for transfer of articles from one place to another place. A number of people told me there ought not to have been the customs barriers between various countries that once formed part of one Empire

Mr. President: May I ask the Honourable Member what has the separation of Burma to do with the motion of imposing taxation on kerosene oil and levy of import duty?

Mr. K. Ahmed (Rajshahi Division: Muhammadan Rural): Or the Treaty of Versailles?

Dr. Ziauddin Ahmad: Since this question was raised on the last occasion

Mr. President: The Honourable Member can only address the House on the question that is before it. The question before the House at present is, that additional duty should not be levied on kerosene oil.

Dr. Ziauddin Ahmad: I leave this matter there, but I may say that I took up this question because this was specifically raised by some speakers on this motion yesterday.

Mr. President: That has nothing to do with the motion before the House today.

Dr. Ziauddin Ahmad: Then, I leave it there.

Kerosene oil, as was pointed out by several speakers, is consumed by poorer classes and it is not desirable to tax them very heavily because the import duty will fall directly on the consumers. The thing which is desirable is that we ought to control the price of kerosene oil and petrol with reference to the profits of the company, taxation and cost of production. We all desire that the State should not lose, and at the same time, the poor taxpayers should not suffer. With these remarks, I beg to support the amendment.

The Assembly then adjourned for Lunch till a Quarter Past Two of the Clock.

The Assembly re-assembled after Lunch at a Quarter Past Two of the Clock, Mr. President in the Chair.

The Honourable Sir George Rainy: With your permission, Mr. President, I should like to draw your attention and the attention of the House to the fact that as regards the Finance Bill the question of time is becoming very important. I do not know whether all Honourable Members understand the position, but under the Provisional Collection of Taxes Act the duties contained in the Finance Bill come into force at once and are collected exactly as if the Bill was already law. But under the provisions of that Act it is necessary that the Finance Bill should become law within 30 days, and if it does not do so, then it becomes necessary to refund the amounts collected under the Provisional Collection of Taxes Act. This year, as nearly as we can calculate, the loss of revenue would be something like 82 lakhs of rupees, which is a serious sum. I would represent to you Mr. President, that in the circumstances it would be reasonable that today and tomorrow the House should sit late in order to make as much progress as possible with the somewhat formidable list of amendments with which we have to deal. One is always reluctant to try the patience of the House

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in this way, but in previous years it has also been necessary to sit late, and I hope Honourable Members of the House will recognise the necessities of the case and will see the reasonableness of what I propose. That is what I wish to put before you, Mr. President.

Mr. President: The only remark that I should like to make is that Honourable Members will please bear in mind the importance of coming to decisions in regard to the consideration of the Finance Bill. I am sure no Honourable Member desires that a situation should arise which would necessitate the refunding of taxes already collected, especially as the amount is 62 lakhs of rupees.

Diwan Bahadur T. Rangachariar: I will mention that we will do all in our power to assist Government to pilot the Finance Bill as quickly as possible and we have no objection to sit till late hours. We used to do that on former occasions and we are as anxious as Government that there should be no occasion for us to have the painful necessity of having to make large refunds, specially at a time when they are so much in need of funds.

Rai Sahib Harbilas Sarda (Ajmer-Merwara: General): Sir, the debate on this question has shown that the prices of kerosene in this country are controlled by the operations of two big organisations, the Burmah Oil Company and the Standard Oil Company. It has also been shown that the Burmah Oil Company can produce kerosene at a much lower cost than it would take the Standard Oil Company to manufacture and market it in India. The two companies have always tried to avoid a rate war which at one time did take place. They have come to an agreement and the prices are now regulated not by the cost at which the Burmah Oil Company can market their oil, but by what the Standard Oil Company have to spend to market their oil here after covering their cost and making a little profit. That being so, we have to take it that the price of kerosene in India is regulated by what the Standard Oil Company have to spend to get their oil to India and sell it at some profit. Therefore, it is to the interest of the consumer in this country to see that the Standard Oil Company are able to sell their oil as cheaply as possible. And in order to do that, it is necessary to levy as small an import duty as possible, because that is the only thing which will serve our purpose. I therefore support the motion to oppose the levy of a further import duty on Kerosene imported from outside.

The question of excise duty stands on a different footing. As I have shown the levying of a higher or a lower excise duty will not affect the prices because the prices are regulated by the amount at which the Standard Oil Company are able to sell their oil. It has been shown that huge profits have been made and are being made by the Burmah Oil Company by their oil operations in India. That being so, it is a question whether the whole of the profits should go to the Directors and shareholders of the Burmah Oil Company or a part of their profits go to the State and the public-funds. When the Burmah Oil Company have been making very large profits, when they have given almost thrice the capital invested by shareholders as bonus to them and are still giving 80 per cent. as dividend, I do not see why the State should not get a part of the benefit

accruing from the arrangement between the two companies. If that arrangement did not exist between the Standard Oil Company and the Burmah Oil Company, the Burmah Oil Company would probably be quite willing to sell their oil at a cheaper rate in India, because they would be making good profits in India and yet selling it cheaper. But owing to the arrangement, they are precluded from doing that. That being so, I see no reason why the State should not benefit under that arrangement and take some part of those profits by way of excise. Therefore I would not object to the Government raising the excise duty against the Burmah Oil Company. My position therefore is that I support the abolition of the higher import duty while I support Government in levying a higher excise duty. The consumer will not at all be affected by this.

Mr. B. Bajaram Pandian (Madura and Ramnad *cum* Tinnevely: Non-Muhammadan Rural): Sir, I had no intention of entering into this interesting controversy. My only justification for coming into the arena, where such distinguished Members like Diwan Bahadur Mudaliar and Mr. Chetty have measured swords, is that I am a layman who is more concerned with the cause of the poor consumer. Sir, the only consideration that ought to weigh with the Honourable Members is this, how will the reduction of the import duty as contemplated in the amendment before the House affect the poor? Will it be to their advantage or will it bring more hardship on them? Will it tend to raise the price of kerosene or will it tend to reduce it? Sir, everyone will admit that import duties like any other duties are a form of taxation on the consumer. The Honourable the Finance Member himself will admit this proposition. Now the question with which he is faced is to find money for the purposes of administration. There are other methods, in my opinion, of finding money without increasing the hardships on the poor. Increase of kerosene duties which the Honourable the Finance Member has proposed means an increase of the burden on those who are already overburdened, namely, the poverty-stricken masses of India. The ideal which we should have before our minds is the total abolition of the kerosene duty. That indeed would be the best way to serve the poor, but we do not generally have the best, under the world circumstances of today. It would be proper, therefore, to concentrate upon the second best. My objection at present is not to the duty on kerosene, but to the increase of duty. I would adhere to the duty as it existed last year, and do away with the present increase. With equal emphasis I would object to the increase of excise duty, because that too imposes an additional burden on the consumer. I, therefore, Sir, would press for the *status quo ante*, namely, the position that existed last year and would vote down the increase of excise when its turn comes as I propose to vote against the increase of Import duties now.

Mr. N. M. Joshi (Nominated Non-Official): Sir, I am in favour not only of reducing the increase asked for by the Government in the duty on kerosene, but like the preceding speaker, I am in favour of abolishing the excise duty on kerosene. It is a duty on an article of necessity of the poorest of the poor, and therefore its incidence falls disproportionately upon the people. Judged by their ability to pay, the poorer people in my judgment pay more than they can; some of them even ought not to pay any taxes to Government. The same thing applies to the excise duty on kerosene. I would not like an excise duty on salt, and similarly, I do not like an excise duty on kerosene as well. Whether it is a question of excise duty on an article manufactured by a European company or by

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an Indian company, it does not affect the matter at all. This House is opposed to the principle of an excise duty even to balance the import duties. That question was discussed in this House several times as regards the excise duty on cotton goods, and the House has expressed itself against the imposition of an excise duty of that character. Some Members make a difference in this case as the industry is in the hands of Europeans. I am not prepared to make that difference. As one who represents the interests of the working classes, I see no reason why I should discriminate between the industrialists of one race and another race, of one colour and another colour. Let us go by the principle, whether we are to accept the principle of imposing an excise duty on an article on which there is an import duty. If we do not accept the principle, let us judge the excise duty on kerosene by that principle. Let us not import the question of colour or race of the people in whose hands the industry lies.

Then it is said that this is a monopoly in the hands of one company. It is true that it is a monopoly in the hands of one company. (*An Honourable Member*: "No.") All right; if some people do not agree, my argument will not be affected, because I take it that, if it is a monopoly, as some people say, the best way of dealing with a monopoly is not to impose an excise duty. By levying an excise duty, you do not improve matters at all; you do not serve the cause of the consumer. If you want to deal with a monopoly, I think the best way is to ask the Government to acquire that industry in the hands of the State. A State monopoly is not dangerous. A monopoly in the hands of private employers or capitalists is dangerous. Therefore, if we want to deal with a monopoly, let us ask the Government of India to acquire the oil industry in their own hands. I do not wish to say anything more on this question, but I support the motion for reducing the import duty on kerosene and if there is a motion for reducing the excise duty also I shall support it.

Mr. A. Das (Benares and Gorakhpur Divisions: Non-Muhammadan Rural): Much has been said, Sir, upon this subject of import and excise duties. I think it is better to confine our remarks at present on the amendment before the House. The present amendment relates only to the abolition of the additional import duty, and as it has been suggested by you, that these two questions must be voted separately, therefore I would beg Honourable Members to confine their attention to this amendment and then when the next amendment comes in, whether the excise duty should or should not be reduced, then that point should be considered at that time; but by taking the two together and taking them at one time together, I think we are rather confusing the issue. I would confine my remarks at present to this question as to whether there should or should not be any increased import duty on foreign kerosene. In dealing with this question, one has incidentally to refer to the excise duty also, but that reference would be merely incidental. In 1930 we find that the duty on imported kerosene was reduced from 8 annas to 2½ annas, while the duty on excise was increased from 1 anna to 1½ annas. Now the present proposal is to increase the duty both on excise as well as on import. If apart from any other fact, the prices were affected in the market by this increase of duty in the case of import—I mean a reduction of duty in the case of import and an increase of duty in the case of excise, I think it is a fair indication to see how the market prices are affected by

that; and then we can see also what is the reason why the decrease of the import duty affects the price, while an increase of the excise duty does not affect the prices. Now, the reason has been given by more than one speaker, that there are two very big concerns which supply India, apart from other countries in the world, with kerosene oil: namely, the Burmah Oil Company and the Standard Oil Company. I know there is another foreign oil company coming into the market, but so far these two have been the principal suppliers of kerosene oil. Unfortunately for the poor consumer, they have combined; and the curse of monopoly, of which we have heard so much in America, is also coming to a certain extent in India. The result of this combine between the Burmah and Standard Oil Companies is this, that while, if there had been no combine and there had been more competition, the Burmah Oil Company would have reduced their prices in competition with the Standard Oil Company; as a result of the combine the Burmah Oil Company does not reduce the price, but inflates its price in accordance with the lowest price which is available for the Standard Oil Company. Therefore, as far as the Indian market is concerned, the only factor which affects the Indian market is the price of Standard oil, and from that it naturally follows that, while the duty on imported oil was reduced from 3 annas to 2½ annas and the excise duty was increased from 1 anna to 1½ annas, the result was that prices had considerably gone down. Last year, Sir, we find that by this fact of reduction of prices on import and increase of price on excise, the price of kerosene oil was reduced by 6 annas per case, which means a considerable amount to the poor consumer. Therefore, I would beg Honourable Members to consider whether, in the light of past experience, when the import duty was reduced and the prices were considerably reduced, whether that fact should or should not be taken as a fair indication in accepting or rejecting the present amendment before the House.

The next point which I want to place before the House for its consideration is this. Let us see what is the expert opinion upon this subject? Now, if you examine the Report of the Indian Fiscal Commission, you will see that the duty on kerosene oil, being a revenue duty, it is quite rightly said that in such cases excise and customs duty should be equal. The Fiscal Commission has laid down quite rightly that wherever revenue duties are concerned, there should not be any marked difference between the excise and import duty. This was also supported by Sir Walter Layton, who was the finance expert to the Simon Commission, and he said the same thing, and he further added that the duty on Burmah oil should be such as to bring it into conformity with the price of Standard oil and other foreign kerosene oil companies in this country. In this connection I would also refer to the opinion of the Honourable the Finance Member himself, because he also said the same thing, I think, either last year or in one of the previous years, that this equalisation of the duty between excise and import should be the aim of the Legislature of India. The Tariff Board has also said that no case has been made out for any protection being extended to the Burmah Oil Company. One of the Honourable Members suggested that the Burmah Oil Company have spent huge sums of money on installing machinery, etc., for the manufacture of kerosene oil. That is quite true, but would the Company be pleased to place before this House a balance sheet showing whether the huge capital which they have invested has or has not been recovered in the shape of

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enormous dividends and bonuses which they have obtained so far? If this element is taken into consideration, I submit, Sir, that they could not have declared such high dividends and bonuses unless the whole of the capital invested by them had already been recovered. Therefore, Sir, I feel that no consideration should be paid by the Members of this House to the argument that the company has invested large sums of money for building up this industry.

Then, Sir, there is another point to which I would like to refer. It has already been referred to, but with your permission I should like to reiterate it. What is the present tendency in the market by the proposal to increase both the import and excise duties? I think it has been pointed out that the present increase is about 9 pies a gallon, and the present market price has already gone up by that extent that is about $\frac{1}{4}$ th of an anna per gallon, which works out to about 60 per cent. of the former price. It is important to bear this in mind when we consider what is the average income of a poor cultivator. Taking the lowest estimate, Sir, of 2 annas per day, which is the orthodox estimate of average income of an Indian, or even 4 annas per day, which is the highest estimate so far made about the average income of an Indian, I think whether you take 2 annas or 4 annas per day as the average income, the price of kerosene oil is increased by 60 per cent., which means a considerable reduction in their sustaining power, because it means a considerable increase in their own household expenditure. Kerosene oil, Sir, is such a necessity that everybody has to use it except those who live outside the villages where of course they use electricity, and they do not mind whether the price is increased by one anna or two pice, but as far as the majority of the poor cultivators are concerned, who have to think of an increase of even two pies, it would mean a considerable reduction in their daily allowance.

Now, Sir, coming to the question of yellow oil, I submit that in 1925 the total amount of oil consumed in this country was about 25,000 crores of gallons. Out of that, 14 crores of gallons was yellow, and 11 were white oil. In 1930 the total consumption remained about the same, but the difference was that the yellow oil went down from 14 crores to 10 $\frac{1}{2}$ crores, while the white oil increased from 11 crores to 14 $\frac{1}{2}$ crores, and out of 10 $\frac{1}{2}$ crores of yellow oil consumed, about 10 per cent., or one crore, was imported. Therefore, I do not think it is a fair argument to say that it is only the price of yellow oil which affects the poorer classes. If you look to the figures of 1930, you will find that 10 $\frac{1}{2}$ crores of yellow oil and about 14 $\frac{1}{2}$ crores of white oil were used, so that it will be seen that the poorer classes are using both kinds of oil, but we should try and see that the consumption of yellow oil is reduced as far as possible for very obvious reasons. We all know, Sir, that the general health, eyesight, etc., are affected by the use of this yellow oil, because it gives more smoke, and as between the two kinds of oils, the consumption of yellow oil is much greater for a given period than white oil. Then why should this yellow oil be so much in demand? The reason is fairly simple, because it is cheaper, and the average earning capacity of an average Indian is so very low that when he finds a difference of even a pie or two pies, he naturally prefers to go in for the cheaper oil regardless of the bad consequences to his health and eyesight.

Then, Sir, there is another factor which should be taken into account. The two oils are essentially one and the same thing, but the white oil is produced from yellow oil through a distillation process. I do not know what the cost of distillation is, but the difference in price is about 8 annas, and I am informed reliably that the cost of distillation is very much less. Therefore the result will be that not only the price of white oil will be increased, but there will be a larger consumption of yellow oil, much to the detriment of the consumers of this country. That is another reason, Sir, why I oppose any legislation which will have the effect of increasing the prices of either white oil or yellow oil.

Another reason why I oppose any legislation is this. Crude oil is also used in large quantities in my part of the country in flour and cane presses and this is another reason why the price of kerosene oil should not go up, otherwise the cost of production for those mills who use these oils would also go up, which in its turn would affect the poorer classes.

Then, lastly, one Government Member is reported to have asked how the deficit is to be met? The income to be gained by putting a duty on imports is said to be about Rs. 43 lakhs. If we give up this Rs. 43 lakhs, it is quite possible that it can be made up by reduction in the ordinary expenditure. Even if that cannot be done, I submit that they can put on a duty perhaps on lubricating oils and botching oil. It might give a sum of Rs. 22 or 23 lakhs to make up the deficit. A third alternative, which I would personally suggest, is this; why not increase the duty on excise by one pice, and so equalise both the import and excise duties? This would give an additional income to the Government, and I think that there would be no loss of revenue at all. I therefore support this motion. There should be no difference in the prices of imported article and the article manufactured in Burma, because that affects the question of the very poorest of the people, and I therefore support the motion of Mr. Mitra that the duty on the imported oil should be dropped.

Sir Cawasji Jehangir (Bombay City: Non-Muhammadan Urban): Not being an authority on the subject of kerosene, I sympathise with the amendment that the Honourable the Leader of the Opposition attempted to move this morning. It strikes us that, if this increased import duty is cut out, and the excise proposals of Government are not touched, the result may be that the consumer may not benefit, that the Government may lose a revenue of Rs. 45 lakhs, and the importer may get all the benefit. Therefore, if that be the position,—I am not an expert—namely, that we cut out this demand of Government simply for the benefit of the importer, I would not be a party to it. But we cannot forget that at a time like this, the poorest consumer must have our first attention more than anybody else, and therefore I am prepared to agree to cut out the increased import duty provided it is clearly understood that the new proposals for excise duty are also disallowed. Then, so far as I can understand it, the consumer will really benefit, even if there is a loss of about a crore of rupees in the Finance Member's proposals for extra taxation. It will be worth while, but if we take half-hearted measures by taking advantage of this motion to cut out the import duty and allowing the proposals for excise to remain, I am very much afraid that it will have an effect contrary to the desires of this Honourable House and it would be playing into the hands of the importers. I am

[Sir Cowasji Jehangir.]

not concerned with who the importers may happen to be. They may be English, American, German, Indian or French—I am not concerned with that. I am any day prepared to support the indigenous industry against the importer, and therefore, I would warn the House that if we go into the lobby to cut out this Demand, we must also be equally determined to see that the excise proposals of the Government are eliminated. We lose a crore of rupees and we will be prepared to do so in the interests of the consumer, but we are not going

Mr. R. K. Shanmukham Chetty (Salem and Coimbatore *cum* North Arcot: Non-Muhammadan Rural): Will the European Group vote with us on this reduction?

Sir Cowasji Jehangir: Under no circumstances are we going to put extra money into the pockets of the importers at the cost of the consumer, the taxpayer and the indigenous industry.

Mr. Jehangir K. Munshi (Burma: Non-European): Sir, with your indulgence and the indulgence of the House, I propose to deal with this subject at some length as this is a subject of some importance to my province, and as issues of this kind have formed the subject of an acute and misleading propaganda in my province for some years.

I am very glad that my Honourable friend Mr. Arthur Moore referred to me and my two Honourable colleagues from Burma in the course of his speech. Mr. Arthur Moore said that the Members from Burma would be disillusioned by the attitude of the opposition in the House. I presume that Mr. Arthur Moore has tried to state in this House what the Government of Burma has said times out of number in season and out of season, what a certain section of the European community in Burma has been saying, and what the British edited Press in Burma has been saying for some years, that the interests of Burma, that the interests of an industry in Burma, can find no protection in this House and can receive no sympathy at the hands of this House. Although the question before the House is, as put by the Honourable the Finance Member, a narrow one, still it covers very wide issues so far as my province is concerned; and it is necessary for me, as a representative from Burma, to do justice to the subject and to deal with the question in its wider and more important bearing. Before I proceed further, I wish to make it plain that both my Honourable friends, Mr. Arthur Moore and Mr. Heathcote, have over-stated the case for the B. O. C.; I am going to ask the House to take no measure which would have the effect of subjecting the B. O. C. to an unfair treatment; but I am not prepared to ask the House to accept the over-stated case put by my two Honourable European colleagues in this House.

Mr. Arthur Moore said that the B. O. C. is a national industry

Mr. Arthur Moore (Bengal: European): Oil is a national industry.

Mr. Jehangir K. Munshi: My Honourable friend corrects me and says that the oil produced in Burma is a national industry of Burma. Have I understood the Honourable Member correctly?

Mr. Arthur Moore: Yes.

Mr. Jehangir K. Munshi: That, Sir, is one of the over-statements made by my Honourable friend Mr. Arthur Moore. It is not necessary to go so far to help the B. O. C., but since Mr. Arthur Moore has done it, I must try and meet it.

The oil interests in Burma are controlled almost entirely by the European community, and the B. O. C. has undoubtedly the largest interest in the oil industry in Burma. The Board of Directors is in Great Britain, the management is in British hands, the vast amount of capital is British, the control in Burma is purely British, the employees, except for manual labour and the lowest paid jobs, are exclusively British, but the fields from which oil is extracted are certainly on Burmese soil. (Laughter.) I think that Mr. Arthur Moore will agree with me that in characterising this particular industry as a national industry he has tried unnecessarily to over-draw the picture. However, Sir, that is not the ground on which I am going to ask the House to extend fair treatment to the B. O. C. We have this fact, that here is an oil industry which has been developed in British India—it makes no difference whether it has been developed by British capital and British enterprise, or by Indian or Burmese capital and Indian or Burmese enterprise. It has been developed in our land. It has for years provided employment for thousands of people of the country itself. There is no doubt that this particular wealth which has been produced has to a certain extent found its way into the land itself and therefore, whether it is or it is not mainly a British industry, it is entitled to a considerable amount of sympathy and support at the hands of this House. (Applause from official and European Benches.) Then, Sir, I come to another point. I am sure that no section of this House would like to lend the slightest colour to this baseless argument, which has been advanced year after year by the Burma Government and the British edited Press in Burma, that any question relating to Burma is bound to receive injustice at the hands of this House. It is therefore absolutely necessary that nothing should be done in the course of this legislation which could directly or indirectly lend the slightest support to any such statement, which, I do assert, has been totally unfounded so far.

Then, Sir, we should not lose sight of a very much wider issue at a time when the future constitution is in the making. Reference to safeguards has cropped up; and I think it is up to this House to show that it is not necessary for any British interests to cry for safeguards and that they can always count on fair treatment from this House. (Applause.) Now, Sir, with regard to this charge which has been levelled against this House for so many years, I consider it a very important matter, and I feel that I cannot seize a better opportunity than this one to refute it in the interest of this House and in justice to this Assembly. The Government of Burma has for the past three years been insisting that it is absolutely necessary for Burma to cut adrift from India, because no industry or financial interest of Burma can be safe in this House. Now, this is a question which has to be dealt with and it is up to this House to show how far this charge is justified. Now, in this connection I wish to place certain relevant facts before this House and before the Government of India. The European oil interests in Burma, which mean predominantly the B. O. C., have also a certain duty to discharge in these matters, before they come

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and ask for fair treatment at the hands of this House. I will give a recent illustration to show that the attitude of the non-official European community in Burma has not been quite consistent in this matter. I hope, Sir, you will permit me to mention a matter of importance, though at first sight it may strike you as a slight digression. Recently the Government of Burma introduced before the Legislative Council in Burma a Bill to impose a duty on cigarettes manufactured in Burma and on cigarettes imported into Burma which had not already paid customs duty. In other words when asking the Government of India for their approval and the Governor General's assent to the introduction of this Bill, the Government of Burma represented to the Government of India, that it desired to raise revenue in its own province and tax cigarettes manufactured in the province of Burma, a proposition to which the Government of India could have no objection. The logical sequence of this was that when the Government of Burma taxed cigarettes manufactured in Burma, it must necessarily tax cigarettes imported into Burma from India which had not paid customs duty. Because if that were not done, it would amount to giving protection to cigarettes manufactured in India as against cigarettes manufactured in Burma. This is how the case was put to the Government of India; but the most important part which was suppressed from the Government of India was that no cigarettes were manufactured in Burma. (Laughter.) In other words the Government of Burma got the Government of India to assent to the introduction of this Bill in the Burma Legislative Council, although it contravened two very serious principles. The first principle it contravened was that the Bill amounted to inter-provincial legislation; and the Minister in charge of the Bill was forced to admit in the course of the debate in the Burma Legislative Council that the province of Burma itself would not be affected by this duty, and that by this means the Government of Burma would gain about 8 or 10 lakhs of revenue by taxing cigarettes manufactured in India. The second principle which the Bill contravened was revealed when the Government of Burma went

3 P.M.

further and said that by this means they were making an effort to touch one British company, and one British company alone, which manufactured cigarettes in India. Now, I do ask my Honourable friend Mr. Heathcote, who I understand now represents the B. O. C. interests in this debate in the absence of a representative of the European community of Burma—I believe their seat is still vacant—I do ask him how he can possibly complain if this House does not give the B. O. C. fair treatment, when his own community in Burma have raised no protest against the Government of Burma victimising the Government of India to this extent—of course by gross misrepresentation—that it got the Government of India to consent to legislation objectionable on two grounds, firstly that it is inter-provincial in character, as it seeks to tax other provinces in India, and secondly, that it has picked out one British firm in India which manufactures cigarettes in India. I do not know whether this Bill has or has not received the assent of His Excellency the Governor General. I do not know whether what I have stated now is or is not known to the Government of India. I am sure that Sir George Rainy or Sir George Schuster will make it clear to the House on what principle they have assented to this legislation for taxing an article, which is produced in India and which is not produced in Burma, and more particularly which singles out one British

firm in India which produces that article. Now, Sir, I have not heard the Burma Chamber of Commerce raising their protest against this legislation. Why should the Government of Burma or the Burma Chamber of Commerce come here now and ask for better treatment for the B. O. C. at the hands of this House than that particular British cigarette manufacturing firm in India had at the hands of the Government of Burma. Now, Sir, having said this, I am not asking this House to behave in the same spirit in which the Government of Burma has behaved. I am asking this House to behave in a fair, liberal and generous spirit. I ask the House to lay down this principle, that it will not lightly accept the principle of getting revenue for the Government of India at the almost exclusive cost of an industry in one particular province. The second principle which I invite the House to lay down is, that this House will not readily lend itself to tax any particular British industry in India, however, prosperous it may be, simply because it is British. (Hear, hear.) Then, Sir, as my Honourable friend Sir Cowasji Jehangir has pointed out, it is very doubtful whether, if this House rejects the proposal of the Finance Member for increasing the import duty on kerosene and at the same time accepts his proposal for increasing the excise duty on kerosene, it would ultimately be helping the consumer. I need not labour this point further as I think sufficient arguments have been advanced both by Sir Cowasji Jehangir and by Diwan Bahadur Rangachariar, with whose views and sentiments on this question I am in complete accord. I think we shall not be helping the consumer in any way, but we shall be causing unpleasantness all round. There is one thing which we should tackle in a spirit of honesty, and it is this. Those Members who now vote for turning down the Finance Member's proposal for increasing the import duty on kerosene should also now make up their minds as to how they are going to deal with his proposal for increasing the excise duty on kerosene. I cannot understand or accept this argument, that the House at the present moment need not concern itself with excise duty at all but only with the import duty. These two things cannot be separated, and if we are to behave in a perfectly frank and honest manner, when we vote now on the question of import duty on kerosene we must absolutely decide as to whether while refusing the increase in import duty, we are also going to reject the proposed increase in excise duty. Dealing with this proposal of import duty now and making a sort of mental reservation about retaining the proposed increase in excise duty would be to subject the oil interest in Burma and particularly the B. O. C. to unnecessary hardship (Hear, hear). In view of these broad considerations, I do beg of this House to consider very carefully whether this House will be justified in reducing the import duty on kerosene and retaining the excise duty on kerosene. There is one thing which I think this House can well say to the European commercial interests in Burma, and it is this, that this House is not prepared to treat harshly any European commercial interests in Burma, so long as Burma forms part of British India. It is also up to this House to make it clear to the European interests in Burma that they cannot possibly expect any such kindly or generous treatment after Burma ceases to be part of British India. After that, they will have to face the tariff wall; trade conventions will not help them; they must make up their minds now whether they are prepared to face the tariff wall. It has been very easy for the European commercial interests in Burma to join the Government of Burma on the question of separation; but I wish to sound this note of

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warning to the European commercial interests in Burma that if they have the satisfaction of helping the Government of Burma, in crushing Burma as a result of separation, they will also have the very doubtful satisfaction of finding themselves as a result of this tariff wall very heavy losers in the end. (Applause.)

Several Honourable Members: Sir, the question may now be put.

Sir Hugh Cocke (Bombay: European): May I be allowed, Sir, to reply to a question?

Mr. President: Yes, certainly, if you wish to answer a question.

Sir Hugh Cocke: I do not want to make a speech, Sir. In reply to a question which was put to us, Sir, I can only say that we propose to support the extra taxation under both heads.

Mr. President: The closure has been asked for and I accept it.

The question is:

"That the question be now put."

The motion was adopted.

The Honourable Sir George Schuster (Finance Member): Sir, there is an old saying about pouring oil on troubled waters. It always strikes me as very inappropriate when we get a debate on anything to do with oil in this House, for the subject inevitably leads to a good deal of feeling and a good deal of disturbed thought. But on this occasion, Sir, I think we may congratulate ourselves on having heard some extremely clear and able speeches, and I would like particularly to express my appreciation of the very clear and logical and fair line of argument which the last speaker has just developed. I think also, Sir, that the House can congratulate itself on the fact that the issues, complicated as they are, have now been cleared: For the general tone of the last speeches that we have listened to is this, that the House really must take the two proposals together, and that those who are advocating a cut in the import duty must recognize that they should also support a cut in the excise duty, or rather no increase in the present duty. I shall return to that point again because I wish the House fully to appreciate the significance of that. We have had these cross-currents to which I have referred—those who advocate the equalisation of duties for its own sake and those who speak for the poor man; and although it refers to an earlier stage in the debate, I should like just to say something in reply to those who have levelled a certain accusation against the Government that they have not this year continued the policy which it is claimed they promised to pursue last year. I think, Sir, that that is not quite fair to the Government. It is true that I in my speech last year talked about the advance towards equalisation which my proposals involved as a first step in a certain direction, but I do not think any Honourable Member opposite can claim that we gave any indication that we undertook to take the second and final step this year: and as my Honourable colleague, Sir George Rainy, has pointed out, there were certain

special reasons why we thought it inadvisable to disturb the *status quo* as regards the relation between the two duties this year. Those reasons, Sir, have found echoes on the other side. It has been recognized in many speeches that to take a step this year that might bear the aspect of discriminatory legislation against a British-controlled company would be, taking the broadest ground, unwise. I think it has also been recognized that, inasmuch as what we could do in this direction would react directly on Burma interests, it would also be unwise that we should take such a step just at the time when the separation of Burma is under consideration. I do not wish to carry that argument further than this. I do not want to suggest that as soon as Burma is separated, we should at once disregard Burma's interests. Nor do I want to suggest that, we, in being influenced by that consideration, have in our own minds assumed that the separation of Burma is an accomplished fact. I only want to use the point for this purpose and this purpose only that, just in the present state of uncertainty, there were certain reasons for not taking a step which might be held to have certain undesirable implications. I believe, Sir, that I have the general feeling of the House with me in this matter.

Now, Sir, leaving for a moment this question of the merits of equalisation or differentiation, I will come to the second point,—the question of the incidence of this tax on the poor man. We have to consider, as Honourable speakers opposite have said, first of all, the effects of equalisation, secondly, the effects on the poor man, but I think also we must consider a third point and that is the interests of the country as a whole and whether from that point of view the tax which we have proposed is a fair tax—a fair tax in the sense that it will produce a revenue which is very substantial in relation to the hardship which it will create, and that is a point which I wish to develop and which I wish my Honourable friends to ponder over very seriously. I should like the House to consider exactly what have been the effects of our policy so far. Last year we took a step towards the equalisation of duties. We reduced the import duty by three pies and we put the excise duty up by six. The sequel to that—I do not say it is a consequence because as a matter of fact no change was made in the prices until October,—was a fall in prices. I think I am correct in stating that the wholesale prices of kerosene remained unchanged for six months after the Budget proposals; but I believe on the 10th October the price of kerosene was put down by six pies a gallon, so that the consumer, as compared with the situation in which he was before the Budget proposals of last year, was actually six pies a gallon better off. Now this year we have proposed a double increase of nine pies, and that increase has at once been transferred into the prices, so that the consumer, as compared with his position before the Budget last year, is only three pies worse off than he was. On the other hand, look at the revenue aspects. The change in the duties that we made last year was estimated to produce about 35 lakhs. Actually we are realising, as compared with our Budget estimates even in a bad year like last year, no less than 62 lakhs more than we budgeted for. We actually have a benefit of 62 lakhs; this year we hope to get a benefit of 95 lakhs; that is to say, a total benefit to the revenue of 157 lakhs as compared with a burden to the consumer of only 8 pies. Now, in a speech which I made at another stage in our discussions I gave this House some statistics as regards the consumption of kerosene. I referred to an investigation which was carried out some years ago in very great detail in a district in Eastern Bengal where the budgets

[Sir George Schuster.]

of a large number of agricultural families were examined. It was there found that—I make no apology for repeating these figures because they are so important to my argument—the poorest class of agriculturists with a total family of five consumed on an average 1·8 gallons of kerosene per year and that the well-to-do agriculturists, taking the lowest and the highest classes in the district examined, consumed on an average 8·7 gallons of kerosene per annum. If you take the poorest family, and consider his consumption of 1·8 gallons and consider also that the price as far as he is concerned is only being made more dear by 3 pies per gallon, it means that the additional burden on that family is only 5·4 pies per annum. It is less than half an anna per annum, and even on the wealthier class, the class that consumes nearly 4 gallons per annum, the increased charge is only 12 pies, if you take it as 4 gallons, that is to say, just an anna. The increased burden comes to something between half an anna and one anna per annum for a family of five, and as against that there is a benefit to the revenue of 157 lakhs. Now, I do submit that in a difficult year like the present we must not be influenced by purely sentimental considerations. I yield to no man in my sympathy for the poorer classes and I yield to no man in my desire to find means for benefiting generally the economic condition of the agricultural producer. But, if, in order to obtain this very substantial addition to our revenue, we are going to affect by an infinitesimal fraction the cost of living of these poorer classes, I think it is a thing which has got to be faced. And I would ask the House very seriously to consider whether they are justified in throwing out these proposals for the sake of what I am afraid I must call merely a sentimental argument. I think the general feeling of this House is that those who vote against this increase in taxation, that is to say, those who support this amendment, will also logically have to support the amendment for reducing the increase in the excise duty also. And therefore those who go into the lobby for this amendment will be cutting out 95 lakhs from our Budget. I do not know where they think we are going to find the money from. I expect to hear eloquent, even more eloquent, pleas in favour of reductions in the income-tax which do, I must confess, fall with a much more direct force on certain classes who will find it very hard to make both ends meet this year. How is it possible for us to consider any sort of reduction in the income-tax if we make this sacrifice of 95 lakhs on kerosene? That, Sir, is what I have very frequently referred to in my previous speeches as facing realities, and I would ask this House to face realities in that respect on this particular motion. That is all that I wish to say on the taxation proposals.

Before I close, I should like to say one word about the benefit which the Government gets from the oil enterprise in Burma. My Honourable friend, Mr. B. Das, while speaking the other day, threw out a suggestion so extraordinary that I could not at first realise that he had said what he had apparently said. He seemed to think that we collect no income-tax from the Burmah Oil Company. I can assure him that we do collect a very substantial sum indeed. I promised then—I did not realise that he was asking merely for information as to the fact whether we collect income-tax or not—to get him some figures to show what benefit that Company was really to us. But the promise was perhaps a rash one, because we are precluded, as a matter of fact, by, I think, section 54 of the Income-tax Act from divulging any of our own information. But I felt pretty sure

that the Company itself, in its own published accounts, would give some figures as regards the taxation which it paid, and I asked my Honourable friend Mr. Heathcote whether he could give me any figures which I could quote as his figures, thus relieving myself of any breaches of confidence, to show what taxation the Company paid. He has given me some figures. I am afraid he had a very short time to collect them. They are not up-to-date and of course he is responsible, and not I, for their accuracy, but the House can easily find him out if they are not correct. Indian taxation consists of crude oil royalty, license fees, excise duties, income-tax customs, etc. Now these are my Honourable friend's figures. In the year 1926, the amount paid in dividends was £1,386,000; the amount of Indian taxation was £1,741,000. In the year 1927, the amount paid in dividends was £692,000; the amount of Indian taxation was £1,956,000. In the year 1928, the amount paid in dividends was £899,000; the amount of Indian taxation was £1,939,000. It looks, therefore, as though on Indian taxation, they were paying nearly three times as much as they pay in dividends. In addition to that, if one is considering what benefit they bring to the country, they have spent in developing the oil fields from 1911 to 1928 £16,616,000. Their total employees in 1927 were on the B. O. C. fields 22,894, in the refinery 8,852, in the installations at Calcutta and Bombay 7,522, office and shipping about 700; total employees 39,981. The total wages paid in 1927 were 246 lakhs; the rail and river freights paid on oil products in 1927 were 109 lakhs and the indigenous stores purchased in 1927 were 223 lakhs. Sir, I think these figures are enough to show that, whether the Directors are British or Indian, and whether the bulk of the dividends are received in India or in London, the country as a whole benefits enormously from this enterprise.

Mr. B. Das (Orissa Division: Non-Muhammadan): What I wanted to know from the Honourable Member was if the Company is registered in India and if it were so, whether the Government will collect more income-tax. That was the point I wanted to make. I recognise that the Company has done a good deal for the country.

The Honourable Sir George Schuster: I suggest that my Honourable friend, who has got the substance, is rather striving for the shadow in this matter. I do not wish to carry the argument further, and the last thing I want to do is to make a speech as an advocate for the Burmah Oil Company. I am merely answering a statement which was made in the course of the debate two days ago and which I think had left this House under a somewhat mistaken impression.

Sir, I think that is all that I have to say on this matter, and we also have to think of time now. I would only revert once more to my main argument, and that is that, of all the taxes that we are proposing, I believe that this particular one produces revenue with the least felt burden on the community as a whole, and therefore, I would appeal to Honourable Members very seriously, before they cut 95 lakhs out of our Budget, to reconsider their opinion.

Diwan Bahadur T. Rangachariar: I want just to ask one question. Supposing this amendment were carried, namely, the increase is not permitted by the House, would the Government still persist in enhancing the excise duty?

The Honourable Sir George Schuster: With your permission, Sir, I shall refuse to answer my Honourable friend's question. (Laughter.)

Mr. K. Ahmed: Because there is no answer to give.

Mr. President: The question is:

"In Schedule II to the Bill the following item be omitted :

' 40 | Kerosene ; also any other mineral oil included in | 9 pies per imperial
Item No. 40. | gallon'."

The Assembly divided :

AYES—47.

Abdoolah Haroon, Seth Haji.
Abdur Rahim, Sir.
Azhar Ali, Mr. Muhammad.
Bhuput Singh, Mr.
Biswas, Mr. C. C.
Chetty, Mr. R. K. Shanmukham.
Das, Mr. A.
Das, Mr. B.
Dudhoria, Mr. Nabakumar Sing.
Dutt, Mr. Amar Nath.
Harbans Singh Brar, Sirdar.
Hari Raj Swarup, Lala.
Isra, Chaudhri.
Jadhav, Mr. B. V.
Jehangir, Sir Cowasji.
Jog, Mr. S. G.
Joshi, Mr. N. M.
Krishnamachariar, Raja Bahadur G.
Kiyaw Myint, U.
Lahiri Chaudhury, Mr. D. K.
Laladhar Chaudhury, Seth.
Maswood Ahmad, Mr. M.
Misra, Mr. B. N.
Mitra, Mr. S. C.

Mudaliar, Diwan Bahadur A.
Ramaswami.
Murtuza Saheb Bahadur, Maulvi
Sayyid.
Neogy, Mr. K. O.
Pandian, Mr. B. Rajaram.
Parmanand Devta Sarup, Bhai.
Puri, Mr. B. R.
Rao, Mr. M. N.
Beddi, Mr. P. G.
Roy, Kumar G. R.
Sadiq Hasan, Shaikh.
Sant Singh, Sardar.
Sarda, Rai Sahib Harbilas.
Sen, Mr. S. C.
Sen, Pandit Satyendra Nath.
Shafee Daoodi, Maulvi Muhammad.
Shah Nawaz, Mian Muhammad.
Shahani, Mr. S. C.
Singh, Mr. Gaya Prasad.
Sitaramaraju, Mr. B.
Thampan, Mr. K. P.
Tun Aung, U.
Uppi Saheb Bahadur, Mr.
Ziauddin Ahmad, Dr.

NOES—54.

Abdul Qaiyum, Nawab Sir Sahibzada.
Acheson, Mr. J. G.
Alexander, Mr. W.
Allah Baksh Khan Tiwana, Khan
Bahadur Malik.
Anklesaria, Mr. N. N.
Ayyangar, Diwan Bahadur V.
Bhashyam.
Bajpai, Mr. B. S.
Banarji, Mr. Rajnarayan.
Baum, Mr. E. F.
Boag, Mr. G. T.
Chatterjee, The Revd. J. O.
Cocke, Sir Hugh.
Crerar, The Honourable Sir James.
Dalal, Dr. R. D.
Fazal Haq Piracha, Shaikh.
Fazl-i-Husain, The Honourable Khan
Bahadur Mian Sir.
French, Mr. J. C.
Gidney, Lieut.-Colonel H. A. J.
Graham, Sir Lancelot.
Gwynne, Mr. C. W.
Hamilton, Mr. K. B. L.
Heathcote, Mr. L. V.
Hezlett, Mr. J.
Jawahar Singh, Sardar Bahadur
Sardar.
Khurshed Ahmad Khan, Mr.
Macmillan, Mr. A. M.
Moore, Mr. Arthur.

Morgan, Mr. G.
Mukherjee, Rai Bahadur S. C.
Munshi, Mr. Jehangir K.
Pandit, Rao Bahadur S. R.
Parsons, Mr. A. A. L.
Rafuddin Ahmad, Khan Bahadur
Maulvi.
Rainy, The Honourable Sir George.
Rajah, Raja Sir Vasudeva.
Rajah, Rao Bahadur M. O.
Rajan Baksh Shah, Khan Bahadur
Makhdum Syed.
Rastogi, Mr. Badri Lal.
Rau, Mr. H. Shanker.
Roy, Mr. K. O.
Sahi, Mr. Ram Prashad Narayan.
Sarna, Mr. H. A.
Sarma, Mr. R. S.
Schuster, The Honourable Sir George.
Scott, Mr. J. Ramsay.
Sher Muhammad Khan Gakhar,
Captain.
Shillidy, Mr. J. A.
Singh, Kumar Gupteshwar Prasad.
Studd, Mr. E.
Sykes, Mr. E. F.
Tin Tut, Mr.
Yakub, Maulvi Muhammad.
Yamin Khan, Mr. Muhammad.
Young, Mr. G. M.

The motion was negatived.

Mr. K. P. Thampan (West Coast and Nilgiris: Non-Muhammadan Rural): Sir, I beg to move:

"In Schedule II to the Bill in column 2 for the entry relating to Item 40 the following entry be substituted:

'Kerosene other than yellow kerosene; also any other mineral oil included in item 40.

Explanation. For the purposes of this item 'yellow kerosene' means Kerosene which is not lighter in colour than that prescribed by notification by the Governor General in Council from time to time.'

This amendment aims at two things. It aims at dividing kerosene oil into two classes, the yellow oil and the white oil, and secondly, it aims at exempting the yellow oil from the additional taxation now proposed to be introduced. Sir, I know it is very difficult to lay down a definite formula to differentiate yellow oil from white oil. It is not for me to suggest how it could be done, and I would leave it to more competent people. Government have got the expert knowledge and the machinery required to make this differentiation, and therefore I have purposely left it to Government to define what yellow oil means for the purpose of this taxation. Sir, oil is one of the fundamentally essential necessities of life. When the sun sets in the West and darkness supervenes, everybody, whether rich or poor, wants oil to make a light. On such essential matters taxation ought to be altogether avoided. But for revenue purposes the Government of India have been imposing for a long time a certain rate of taxation, and I do not want at the present moment to interfere with that principle. Now that the Assembly has, I will humbly say, turned down the last motion to its discredit . . .

Mr. President: Order, order. The Honourable Member cannot criticise the decision of the House.

Mr. K. P. Thampan: I shall then withdraw, Sir. But I have a feeling that the proper thing has not been done by the poor people.

Mr. President: The decision of the House cannot be criticised.

Mr. K. P. Thampan: Very good; I am not doing that, but I feel that an injustice has been done to the poor people and their interest has not been safeguarded. So I propose that the yellow oil at least, which is mostly consumed by the poorest class of people, should be exempted from this duty. I do it purely with the idea of exempting the poor people from the burden of this additional taxation. Sir, we ought to realise the serious and unhappy position of the poor people, I mean the agricultural labourers. I am speaking only with special reference to the agricultural labourers of my district and province, and I believe the condition of these agricultural labourers is mostly the same throughout the length and breadth of the country. In Malabar an agricultural labourer is given by way of wages only $2\frac{1}{2}$ edankazhis of paddy, which is about one and two-thirds of a Madras measure called the *padi*. I cannot give the equivalent in Delhi seers. Unfortunately in our country every province and town has its own different kinds of measures and it is impossible to speak in universal terms. Whatever it is, for the purpose of this discussion Honourable Members can understand when I say that at the end of the day

[Mr. K. P. Thampan.]

an agricultural labourer is given only $2\frac{1}{2}$ local measures of paddy. Wages in Malabar are paid in kind and not in money. Sir, for keeping body and soul together one wants two measures of paddy, which gives only one measure of rice or half when husked. He has then got only half a measure of paddy remaining which commuted at the present rate means only $4\frac{1}{2}$ pies, or one-third of an anna. With this one third of an anna what can he do? He has to purchase all other necessities of life such as salt, chillies, some betel leaf and betel nut, fish, vegetable, etc., and he wants also to lay by something to purchase clothes. It is their class of people whom you want to meet with additional taxation. The Leader of the House said that it would be better economy to encourage these people to purchase white oil, but such a man has not got the money to invest in a bottle of white oil. What he has got towards the close of the day is only one-third of an anna, and over and above these necessities he has to purchase more often than occasionally some toddy also. That is his financial position. It is such people whom it is proposed to help. If the House has no sympathy for such people, it is not my fault. I have done my duty and leave the rest to the good sense of the House.

Then there is another aspect to the question. In Madras there are on the whole about 27 million acres of land under cultivation. Out of this, some 22 million and odd acres are under dry cultivation. The rest is wet cultivation. For dry cultivation people generally bale out water from the wells; but nowadays this kind of old manual labour is being replaced by oil engines and pumps. Of course, the new engines are worked on crude oil, but the old engines are being worked with inferior yellow kerosene oil. I myself had one such engine. By raising the duty on kerosene oil by 3 annas we are putting an additional burden on the cultivator. Out of this 22 million acres of dry cultivation, at least one-hundredth of it must be such as are irrigated with the help of oil engines. You cannot expect these people to replace their machinery every time Government imposes new taxes. Their machinery must be allowed to serve for the normal period of its existence, and until then it is not wise on our part to make those people pay additional taxes. The price of their produce has gone down in price and land assessment is increasing. Some assistance must be given to the cultivators—they also deserve our sympathy.

Sir, it is said that even if my motion is accepted and the import duty on the yellow oil is turned down by this House, the Burmah Oil Company is not likely to give the benefit to the consumer. I will make an earnest request to the Burmah Oil Company through my Honourable friend Mr. Heathcote, and this House, not to do so and always to try to safeguard the interests of the poor people. The times are changing and democracy is coming into its own. We might force the Government to acquire the concern of the Burmah Oil Company and make it a national property, unless they recognise their duty by the people of this country. (Hear, hear.) If, however, the Burmah Oil Company, through their representative here do not undertake to sell the yellow oil at the present rate, I may perhaps at the end of the debate withdraw my motion. (*Cries of "Why?"*) Because in that case the adoption of my motion will not be of any use to the poor people. But I do hope my Honourable friend Mr. Heathcote will nobly come forward to give an assurance. With these words, I move.

Mr. T. N. Ramakrishna Reddi (Madras ceded Districts and Chittoor: Non-Muhammadan Rural): Sir, as one who has given notice of a similar amendment, I beg whole-heartedly to support the amendment proposed by my Honourable friend, Mr. Thampan. The Government have budgeted, through the increase in excise and import duties on kerosene, to the tune of 95 lakhs. It is true that they have not made any distinction between white and yellow oil. Though they have not done so, yet for the last 25 or 30 years there have been in existence two kinds of oil on the market, namely, yellow oil and white oil. White oil is superior and is sold at a higher rate. The Burmah Oil Company, on account of some protection they were enjoying, have been selling this yellow oil at a cheaper rate than the white oil, and I may also say that the yellow oil is consumed by the poorer classes of people on account of its cheapness. Till the year 1922 they were selling yellow oil at the rate of Rs. 2/14 per unit. Now, after the excise and import duties have been increased to the present level, the rate has gone up to Rs. 4-2-0 since March, 1931. Whenever there is an increase of excise duty, the price of this oil has gone up—it went up in successive stages when it was raised to 1 anna, and then to 1½ annas and then again this year to 2 annas 3 pies. This company has thrown the whole of the burden on the consumers of the yellow oil. They have not raised the price of white kerosene oil to an appreciable extent on account of competition from foreign countries; but they have been recouping the additional excise duty by raising the prices of yellow oil, of which they have a monopoly in India and thus it is the poor man that has been suffering all along. That is why I have great pleasure in supporting this amendment. The House has just committed itself to the increase in import duties and my amendment is that this increased import ought not to affect the yellow oil. . . .

Sir Cowasji Jehangir: Explain how it is practicable.

Mr. T. N. Ramakrishna Reddi: I will come to that point. The total amount of oil—both yellow and white—consumed in this country is about 250 million gallons of which 96 million gallons nearly is yellow oil. The Government have budgeted to the extent of 95 lakhs of rupees by raising the import and excise duties on both kinds of oil. According to my calculation white oil is consumed to the extent of 160 million gallons and the increased import duty and excise duty on white oil alone would give 75 lakhs of rupees revenue to the Government. As regards yellow oil, 96 million gallons will yield, according to the present proposals on import and excise duties, an additional revenue of 45 lakhs. But without making any distinction between white and yellow oil the amount that is budgeted for by the levy of excise as well as import duties on kerosene oil is 95 lakhs. So if you just leave out extra duties on yellow oil and confine it to the duties on white oil, both imported and indigenous, it will give an additional revenue of 75 lakhs of rupees, and thus it will be only 20 lakhs of rupees less than what has been budgeted for. And in the interests of the poor people, this can easily be foregone. My learned friend said just now, how can you make that distinction? No doubt there is some difficulty, but we can make that distinction. It is the duty of the Government to make that distinction. I am not saying that there was no distinction existing at all till now. This distinction between yellow and white oil has been in existence for the last 25 years; and then for the Government to say that there is no distinction is a thing which one cannot understand. If they inquire into it through their experts they can easily find out what is the degree of fineness and colour which distinguishes white

[Mr. T. N. Ramakrishna Reddi.]

oil from yellow oil; it is not very difficult at all and I leave it to Government to make that distinction for the sake of the poor people.

Now, Sir, the Honourable the Finance Member stated that the consumption of a poor man is only one gallon of oil per annum and that no sentiment should be introduced in the case of these duties, because he says any increase in duties falls very lightly on the poor man. Sir, I cannot say whether the statement made by the Finance Member is quite correct and can be applied to present day conditions. The economic condition of the poor class of people has considerably changed from the time to which the Finance Member referred. It is not one gallon that a poor man consumes, but it is much more than that. I have not got the actual figures, nor have I investigated how much oil a poor man consumes, but as a man coming from a village, as one who knows intimately all about the actual condition of the poor people, I can confidently assert that the consumption is much more than one gallon that a poor man consumes in a year

The Honourable Sir George Schuster: The Honourable Member is misquoting me. I said 1.8 gallons; that is nearly 2 gallons.

Mr. T. N. Ramakrishna Reddi: I want to know how the Honourable the Finance Member has got that figure; I want to know whether the poor man consumes only 1.8 gallons or something more than that.

Mr. B. Das: Additional dividends.

Mr. T. N. Ramakrishna Reddi: Sir, from what little knowledge I possess of the conditions under which our poor people live in villages, the figure given by the Finance Member about the consumption of oil is not correct; it is something more than 1.8 gallons. Then the Finance Member said that the burden is very little. Now, Sir, I must point out that the poor people in this country are living on the brink of starvation. It may be a very small increase for a rich man or for a man of ordinary means, but for a very poor man who is on the brink of starvation, any slight increase in his burden even if it be of a pie, will cause great hardship. So, Sir, we cannot lightly brush aside the interests of the poor man by saying the increase in price will not fall heavily on the poor man.

Then, Sir, it was also stated by the Honourable the Leader of the House yesterday that anybody can convert white oil into yellow oil by mixing up chemicals in order to escape additional duties. Sir, no person who is interested in his business would put chemicals and lose by way of profits which he would otherwise get if he had sold it as white oil.

Sir, as I have submitted, if this increased duty on imports as well as the excise duty is passed, the effect will be very bad on the poor people. The oil companies have already increased the prices of oils. The price of yellow oil has gone up from Rs. 3-12-0 to Rs. 4-2-0 per unit, and so I beg of this House, for the sake of the poor people who consume this yellow oil in large quantities, to make an exception in the case of the yellow oil, and thus see that the increase does not affect the yellow oil both for import as well as excise duties.

Then with regard to making the distinction, I leave it to the good sense of the Government to find out, through their experts, the difference between the two oils, and it is easy to do so because that difference has existed for over 80 years. Sir, for the reasons I have given, I have great pleasure in supporting this amendment.

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammedan Rural):

4 P.M. Sir, I had no desire to take up the poor man's cause once again after the way in which this House treated the poor man's salt. Indeed, we are living in an atmosphere of unreality. We are here as representatives of the poor people. No doubt, we are representatives of the poor people; we go to them once in three years and beg of them their votes, but as soon as we get ourselves returned here, we feel that we have no connection with those poor men who have sent us here. But I feel, Sir, that men endowed by Providence with all the goods of the world, do not care for the poor people

Mr. B. S. Sarma (Nominated Non-Official): You are quite right.

Mr. Amar Nath Dutt: Of course, your constituency is certainly rich (Laughter), it is the richest in the world, and I have no complaint against your constituency. It need not care whether the poor man gets his salt or kerosene oil; it is quite immaterial to them. But, Sir, I wish once more to tell this House, and I want them to realise that probably we are not going to be here for the full three years, and soon we will have to meet once again all those poor men whom we are ignoring today. I do not know whether it will have any sobering influence upon the votes of those gentle men who find it a pleasure to go over with my friends on the Treasury Benches, but I won't refer any more to this matter.

Sir, I find that even the Treasury Benches had felt about the poverty of the millions of people of this country, yet in this Finance Bill most of the things which are included or selected for taxation are necessities of life of the poor people. When the price of cloth went up from 1½ rupees to 3 rupees per pair of *dhoties*, and the prices of several other articles were doubled or even trebled, the poor had to undergo much hardship owing to that rise in prices, because they could not pay those high prices for their necessities. Now, you are taxing salt, and it is stated that the consumption of every individual is not worth more than 2 or 3 annas; here you say that the consumption of kerosene oil is only 1.8 gallons, that is the figure given by the Honourable the Finance Member. Now, Sir, at the outset, allow me to observe that these statistics are not quite correct. The House is well aware how these statistics are collected. Even I am told that in the recent census there has been some manipulation of the figures. But be that as it may, because that question is not before us at present, but as regards statistics, I want to point out that whenever the Government of India want certain information, what do they do? They write to the Provincial Governments; the Provincial Governments send down the inquiry to the Divisional Commissioner, the Divisional Commissioner sends it down to the Collector, the Collector sends it down to the Sub-Divisional Officer; the Sub-Divisional Officer sends it down to the Circle Officer who goes about the villages

Mr. Arthur Moore: On a point of order, Sir. How is this relevant to the yellow question which is now before the House?

Mr. Amar Nath Dutt: I am criticising the manner in which statistics are collected relating to consumption of yellow oil.

The Honourable Sir George Rainy: May I inform the Honourable Member, Sir, that we have no provincial statistics from Provincial Governments about yellow oil?

Mr. Amar Nath Dutt: My impression is that many things are said from the other side which on the face of them may appear to be correct but are not really so. For example, the other day we were told that the Government of India had nothing to do with the selection of delegates to the Round Table Conference, as if Whitehall did all this selection. (Laughter.) But really we know how these things are done. So, I say and assert that these statistics are collected from the village chowkidar, and the village chowkidar does not really care to collect any statistics. I am reminded of a story about the way in which the statistics are collected. A District Magistrate took it into his head to collect statistics as to the number of asses in his district. The report came from the chowkidar to the next higher officer, and so on, till it reached the District Magistrate, and it gave out the number to be something like 4,577. The Magistrate said, "You are mistaken. Your statistics are wrong. The number must be 4,578, because you have not included yourself." (Laughter.) They all understand how these statistics are collected in the villages. So, you cannot rely upon any one for the statistics relating to the consumption of salt per agricultural labourer or to the consumption of kerosene oil by a poor family. I would only point out that these are articles which are consumed by the poorest in the land. I would request the House at least to spare those articles which are almost a necessity of life, and kerosene is one of them. In the good old days, I remember more than 45 years ago, there was no kerosene in the villages, but with the introduction of kerosene in India, they find it cheaper even than the ordinary mustard oil that they used to burn. Sir, you can realise the condition of a poor villager living in a flooded area, when suddenly the flood comes. Remember they have not even one pice to buy a match box. they keep *chakmakhi*, by which they light the fire, and with that they light the kerosene lamps and thereby save themselves from the snakes which are found in abundance in flood times. And you deny them that by raising the price of kerosene. When these well-fed and well dressed gentlemen go about and talk much about the poor people, probably they subscribe a few hundred rupees to some poor fund and then they think their task is over. I do assert that it is the imperative duty of every Indian, and for the matter of that, of every Englishman, who now happens to rule this country, to see that the poor people of this country get at least the barest necessities of life such as salt, kerosene and other things.

Therefore, I have very great pleasure in supporting the amendment of my Honourable friend, Mr. Thampan. He is himself a big landholder and a very rich man.

Mr. K. P. Thampan: I am not very rich.

Mr. Amar Nath Dutt: According to your idea, you may not be very rich, but to us you are very rich. He probably thought that every one in this House would support his amendment. But if the House does not see this way to support him, he will probably have to withdraw his amendment. But I ask him to take courage in both hands and stand up for the rights of the poor. I appeal to every one of my Honourable friends to take up the cause of the poor. Tax any other article but not those articles which comprise the prime necessities of the poor. Tax a man like Diwan Bahadur Rangachariar, even to the extent of a lakh of rupees, and I shall be with you. Tax similarly others, and even those foreigners who are our trustees and who have come here to teach us how to govern

ourselves! (Laughter.) Tax any of us here. You have a Rajah here, you have got a Raja Bahadur there, tax them, but don't tax the poor labourers of the village who live in the midst of snakes and floods. At times these people have not sufficient warm clothing during winter, so much so that they clothe themselves with *chatais* and palm leaves and warm themselves by burning cow dung during the nights, and in order to burn the cow dung they have to pour a few drops of kerosene oil on the cow dung in order to light it. Kerosene is an article of necessity to these poor people and we shall not be justified in raising the price of it.

It is sometimes said that the prices are regulated by a certain company according to certain principles. I am not aware of that. I have not studied that question and I am not in possession of facts relating to it. Some people here may have been convinced about those facts. We are not convinced either this way or that way, and there are more ways of being convinced than many of us may suppose. But, however much we may be convinced, I do say and I do proclaim, don't be misguided by any capitalist or any other man whose interests will be touched, or by the siren voice of those who try to seduce you. Look to the interests of the poor and see whether the price of kerosene will be lessened or increased, and that ought to be the only principle which should guide you as representatives of the people.

As I have told you, people here hold different views about this kerosene matter. I myself have no clear cut opinion on the subject, but at the same time I can say this much that an increase in the duty will certainly raise the price of the article. That seems to be a patent fact. It does not require any economist to tell us that, if you impose a duty, the prices will be raised. So, what my Honourable friend has been doing here after the failure of Mr. Mitra in his amendment, is to give some relief to those who use yellow oil. I presume that this yellow oil is used by the poor only, (*An Honourable Member*: "Quite so"), and I think my Honourable friend over there, who has himself no occasion to use yellow oil, is only pleading for the poor. Sir, in our attempt to see that this duty should apply only to kerosene other than yellow kerosene, I hope we shall have the support of all the non-official Members in this House, and I fervently appeal to them to support the motion.

The Honourable Sir George Rainy: My Honourable friend opposite, who has just sat down, seems to be of a different opinion from my Honourable colleague, the Finance Member, for he would pour yellow oil upon the troubled waters, at any rate, in the flooded areas,—that is what I gathered from his speech.

Before I go on to the amendment itself, I should like here to refer to what was said by my Honourable friend, Mr. Reddi, as regards the calculation put forward by my Honourable friend, the Finance Member. According to the recent census, there are 350 million people in India. If you take five people to a household, that means there are 70 million households. The total consumption of kerosene is somewhat in the neighbourhood of 225 million gallons, and if you divide 225 by 70 you will get a figure of a little over 3 gallons per household, and that is not very different from the figures put forward by my Honourable friend.

Mr. Amar Nath Dutt: What about those who do not use kerosene? The rich men do not use kerosene. They use electric lights and electric fans.

The Honourable Sir George Rainy: Unquestionably, there may be those who do not use kerosene at all, but I should have thought that the use of kerosene has been expanding rapidly during recent years, and there are not such a very large number now who do not use kerosene at all.

Now, Sir, when I spoke in this House on Saturday, on an earlier amendment, I dealt with this amendment in substance by way of anticipation, and I do not wish to do more than just run over the points which I took then. One of the points I took was that if we introduced this colour test, it is very difficult to say how it might operate, and in particular, we could not foresee how it might be possible for importers to take advantage of the lower rate of duty on yellow oil by adding colouring matter, then importing the oil, and then removing the colouring matter so that they could sell the oil at a higher price. Now, my Honourable friend, Mr. Heathcote, suggested that if this difference was to be in force for a year only it would probably not be worth any one's while to make the somewhat elaborate arrangements which would be necessary. My reply to that is that I do not think it would be reasonable or right to make a change of that kind, that is to differentiate between yellow and white kerosene oil, unless we intended permanently to alter the basis of assessment. Changes of this kind are apt to upset trade and should not be made, unless it is intended to make the change permanently. I explained on Saturday, that while Government were ready to examine the proposal and see what they could make of it, we could not agree to it at present. We have got to examine the question whether in fact it is a good bargain for the consumer to buy yellow oil in preference to white oil, and if so at what difference in prices. We have got to consider whether the colour test is sufficient. We have got to consider whether if it were imposed in the form in which it stands in the amendment, it would lead to evasions and fraud—I have no right to use the word “fraud”, for I am not suggesting that illegal evasions would be attempted—but we have to apprehend attempts to get round the duty and defeat the object of the differentiation without any breach of the law. We have got to consider also how it would be possible to ensure that the consumer did in fact get the yellow oil at a lower price. I may point out, perhaps, that if there was a substantial difference in the rates of duty over any long period, yellow oil would almost certainly be specially manufactured for the Indian market abroad and imported. It might be possible to reach a binding agreement with the Indian companies as to the price at which they would sell the yellow oil, but I am not at all sure that it would be so easy to come to a binding agreement with powerful companies like the Standard Oil Company, which are not domiciled in India at all, and that is a difficulty which requires very close examination. All these matters require close study before a conclusion can be reached. Meanwhile if this amendment were carried, it would mean, as I explained on Saturday, that there will be a loss of revenue of at least 35 lakhs, and if the lower price of yellow oil led to an increased consumption of it and a reduced consumption of white oil the loss may be something like 45 lakhs. As I explained, this is a loss which Government are not prepared to face. For all these reasons, Mr. President, I think there can be no doubt that I must ask the House not to accept the amendment of my Honourable friend, Mr. Thampan.

Dewan Bahadur T. Rameshchander: May I ask the Honourable the Commerce Member whether the investigation he has promised about this

question will be completed before the next Session in September? Will he take steps to do so?

The Honourable Sir George Rainy: That was undoubtedly what I said on Saturday. I hope that our examination of the question will be complete before then, but I do not forecast what the result of our examination may be. There are serious difficulties which must be examined.

Mr. K. P. Thampan: May I reply?

Mr. President: You have no right of reply. Do you wish to withdraw.

Mr. K. P. Thampan: I do not withdraw.

The Honourable Sir George Schuster (Finance Member): I do not wish to reply at any length on the merits of the case. I only wish to take the opportunity which you have given me to say something as regards the statistics on this matter. The statistics to which I referred were statistics based on a very careful examination conducted just before the war. Careful investigations were made into about 2,000 families and I think it must be claimed that the results are reliable. I should like to repeat what I said. In the very poorest families the average was 1·8 gallons per annum, and in the fairly prosperous agricultural families, the average was 3·8 gallons per annum. The correctness of that estimate is very well borne out in the total trade figures to which my Honourable colleague, the Commerce Member, has referred. If the total consumption in India is about 220 million gallons and the total population is, whatever it may be, 320 or 350 million people, it will be found that the consumption per head is something like two-thirds of a gallon—the average consumption.

Mr. T. N. Ramakrishna Reddi: Each family is composed of 5 to 10 persons.

The Honourable Sir George Schuster: I was saying that the average works at something like two-thirds of a gallon per head per annum. Therefore in a family of five people the average consumption would be just over 3 gallons per head, whereas I put the figure at 3·8 gallons for a prosperous agriculturist family with an income of about 16 pounds sterling per annum, and at 1·8 gallons per head for a very poor agriculturist family with an income of £6-13-4 per annum. I think that if the total average for the whole of India can be put down at about 3 gallons per family, that is a very good verification of the statistics which I put forward. I wish to say nothing more on the merits because my Honourable colleague has fully dealt with it.

Mr. President: Order, order. The question is:

"That in Schedule II to the Bill in column 2 for the entry relating to item 40 the following entry be substituted:

"Kerosene other than yellow kerosene; also any other mineral oil included in item 40.

Explanation.—For the purposes of this item 'yellow kerosene' means Kerosene which is not lighter in colour than that prescribed by notification by the Governor General in Council from time to time."

The Assembly divided:

AYES—38.

Anwar-ul-Azim, Mr. Muhammad.
 Azhar Ali, Mr. Muhammad.
 Bhuput Singh, Mr.
 B'awas, Mr. C. C.
 Das, Mr. B.
 Dudhoria, Mr. Nabakumar Sing.
 Dutt, Mr. Amar Nath.
 Hari Raj Swarup, Lala.
 Jadhav, Mr. B. V.
 Jog, Mr. S. G.
 Joshi, Mr. N. M.
 Krishnamachariar, Raja Bahadur G.
 Kyaw Myint, U.
 Lahiri Chaudhury, Mr. D. K.
 Liladhar Chaudhury, Seth.
 Mitra, Mr. S. C.
 Murtuza Saheb Bahadur, Maulvi Sayyid.
 Neogy, Mr. K. C.
 Pandian, Mr. B. Rajaram.

Parmanand Devta Sarup, Bhai.
 Puri, Mr. B. R.
 Ranga Iyer, Mr. C. S.
 Rao, Mr. M. N.
 Reddi, Mr. P. G.
 Reddi, Mr. T. N. Ramakrishna.
 Roy, Kumar G. R.
 Sadiq Hasan, Shaikh.
 Sant Singh, Sardar.
 Sen, Mr. S. C.
 Sen, Pandit Satyendra Nath.
 Shahani, Mr. S. C.
 Singh, Kumar Gupteshwar Prasad.
 Singh, Mr. Gaya Prasad.
 Sitaramaraju, Mr. B.
 Thampam, Mr. K. P.
 Tun Aung, U.
 Uppi Saheb Bahadur, Mr.
 Ziauddin Ahmad, Dr.

NOES—56.

Abdoola Haroon, Seth Haji.
 Abdul Qaiyum, Nawab Sir Sahibzada.
 Acheson, Mr. J. G.
 Alexander, Mr. W.
 Allah Baksh Khan Tiwana, Khan Bahadur Malik.
 Anklesaria, Mr. N. N.
 Ayyanar, Diwan Bahadur V. Bhashyam.
 Bajpai, Mr. R. S.
 Banarji, Mr. Rajnarayan.
 Baum, Mr. E. F.
 Boag, Mr. G. T.
 Chatterjee, The Revd. J. C.
 Cocke, Sir Hugh.
 Crerar, The Honourable Sir James.
 Fazal Haq Piracha, Shaikh.
 Fazl-i-Husain, The Honourable Khan Bahadur Mian Sir.
 French, Mr. J. C.
 Ghuznavi, Mr. A. H.
 Gidney, Lieut.-Colonel H. A. J.
 Graham, Sir Lancelot.
 Gwynne, Mr. C. W.
 Haminton, Mr. K. B. L.
 Heathcote, Mr. L. V.
 Hezlett, Mr. J.
 Ibrahim Ali Khan, Lt. Nawab Muhammad.
 Ismail Ali Khan, Kunwar Hajee.
 Jawahar Singh, Sardar Bahadur Sardar.

Khurshed Ahmad Khan, Mr.
 Macmillan, Mr. A. M.
 Maswood Ahmad, Mr. M.
 Misra, Mr. B. N.
 Moore, Mr. Arthur.
 Morgan, Mr. G.
 Mukherjee, Raj Bahadur S. C.
 Munshi, Mr. Jehangir K.
 Pandit, Rao Bahadur S. R.
 Parsons, Mr. A. A. L.
 Rafiuddin Ahmad, Khan Bahadur Maulvi.
 Rainy, The Honourable Sir George.
 Rajah, Rao Bahadur M. C.
 Rajan Bakhsh Shah, Khan Bahadur Makhdum Syed.
 Rau, Mr. H. Shankar.
 Roy, Mr. K. C.
 Sahi, Mr. Ram Prashad Narayan.
 Sams, Mr. H. A.
 Sarma, Mr. R. S.
 Schuster, The Honourable Sir George.
 Scott, Mr. J. Ramsay.
 Sher Muhammad Khan Gakhar, Captain.
 Shillidy, Mr. J. A.
 Studd, Mr. E.
 Suhrawardy, Dr. A.
 Sykes, Mr. E. F.
 Tin Tut, Mr.
 Yamin Khan, Mr. Muhammad.
 Young, Mr. G. M.

The motion was negatived.

Pandit Satyendra Nath Sen (Presidency Division: Non-Muhammadian Rural): Sir, Amendments Nos. 44 and 45† originally formed parts of one and the same amendment.

†Amendment No. 45 was disallowed by His Excellency the Governor General, which was as follows:

"In Schedule II to the Bill, after Items 65 to 123 inclusive under Part V, the following Item be inserted:

'69. Vegetable Product 50 per cent.' "

Therefore, I cannot, with propriety, move amendment No. 44.*

Mr. S. C. Shahani (Sind: Non-Muhammadan Rural): Sir, I do not move my amendment.†

Mr. T. N. Ramakrishna Reddi: Sir, I do not move my amendment.†

Mr. S. G. Jog (Berar Representative): I do not wish to move my amendment† because the fate of it has already been decided.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Sir, I do not move my amendment‡

Mr. President: That concludes consideration of Schedule II.

Schedule II was added to the Bill.

Clause 4 was added to the Bill.

Mr. President: The question is:

"That Schedule III stand part of the Bill."

Mr. Amar Nath Dutt: Sir, I beg to move:

"In Schedule III to the Bill in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head '*Letters*' the following be substituted:

'For a weight not exceeding two and a half tolas ... Half an anna.

For every two and a half tolas or fraction thereof,
exceeding two and a half tolas ... Half an anna'."

Sir, unfortunately this is one of those amendments which have been characterised by the Treasury Benches as a hardy annual of the Opposition. Be that as it may, I shall move this amendment and will go on moving it as long as I am in the Assembly till the Government think fit to reduce the postage rates that are now charged in this country. Some of my friends are surprised to hear that I will always be moving this amendment in the Assembly. It is certainly my misfortune to do so. Had the Government acceded to this amendment in years gone by there would have been no necessity of moving this amendment again. But as they will not

*"In Schedule II to the Bill, in column 2 in entry against Part V, for the words and figures 'excluding 'raw hemp' comprised in Item No. 78' the words and figures 'excluding 'vegetable product' and 'raw hemp' comprised in Items Nos. 69 and 78 respectively' be inserted."

†"In Schedule II to the Bill, in column 2 from entries against part VI, the following be omitted:

'(3) Betelnuts (*see* No. 141A)'."

‡"In Schedule II to the Bill, the following item be omitted:

<p>'Part VII 156A.</p>	<p>Cotton piece-goods—all sorts included in Item No. 156A.</p>	<p>The figures for the rates of the <i>ad valorem</i> duties shall be deemed to be increased by 5 in each case'."</p>
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[Mr. Amar Nath Dutt.]

listen to me, I have no other alternative but to go on moving this amendment year after year. Sir, it has also been said by my friends that it is no good moving it, for, like the amendment on the poor man's salt, I will lose it. The index of the voting in this House does not lead me to hope much but at the same time I think it my imperative duty to place my views before this House for their consideration. I want them to consider why the postage rates should be lowered at the present time when the cost of living has gone down to even half the pre-war rates. I do not think any financier can support the increase in the postage rates which was taken recourse to during the days of high prices which prevailed after the war and during the war. Sir, half an anna was the original postage rate for letters. The Government now say that, because the cost of administration has been increased, therefore we must pay more in the shape of postage. I have an idea that as business expands, articles become cheaper. Retail business men sell their articles at a higher rate than wholesale dealers. That is the ordinary principle governing business. I am sure the Postal Department is run on business lines, and I fail to understand how its cost can be more at the present time when the cost of living has gone down. I am sure my Honourable friend over there, who is handling his files and has got some figures at his hand, will try to justify the present cost with the assistance of his able assistants. But, Sir, as I have already submitted we have very little faith in these figures. If you want to run a business on sound lines you must curtail your cost as much as is possible. In the case of the Postal Department you have not done so. You increased the cost of postal communications throughout the land at a time when the cost of living had gone up; but is there any justification for keeping that increased expenditure even now? Sir, if I have only Rs. 100 per mensem to live on and if I cannot keep more than one servant, am I justified in keeping more and complaining of want? The reply that is often given to us is that, owing to certain demands from public bodies, they have increased the salaries. They have not much increased the salaries of the poor and deserving class of servants, while they have certainly added to the number of high-salaried officers, which was not needed. I fail to see why you should have so many Deputy Directors-General, Assistant Directors-General, Assistant Postmasters-General and Deputy Postmasters-General. The moment you make a little concession by increasing the pay of a poor clerk from Rs. 30 to Rs. 35, the next moment you create posts carrying a salary of Rs. 2,000 and Rs. 3,000 for other more fortunate individuals. That is not the way in which a business concern ought to be run. You must minimise your cost; Indianise the Department; do not have my friend, Mr. Sams, there, but have my friend, Mr. Tin Tut

Mr. Tin Tut (Government of India: Nominated Official): I am not a candidate for the post.

Mr. Amar Nath Dutt: Perhaps he can get as much, but he is not getting now Rs. 4,000. What I mean to say is that you can run the Department at a much lesser cost than what you are spending now. That is my charge against you. Do not give me your figures. I know those figures are nothing; they are not convincing; on the other hand, they are not probably correct either. Sir, in a country where you can get brilliant scholars,

Premchand Roychand scholars, for Rs. 300 or Rs. 400 a month—and I do not think there are any posts in the Government of India which they cannot adorn—I think no one ought to get a salary of Rs. 1,000 a month. If it does not suit my Honourable friends over there we would like to be relieved of them, and we shall be glad to have our own brilliant men at a much smaller cost. Let them not take advantage of this system of high prices for officials, and thereby tax the whole people by salt, by kerosene, and then again by postage rates. Sir, it may be said that these envelopes do not touch the poor people. I say they do, and in this way. Postcards do not always do so. No doubt nowadays people use as many postcards as possible owing to the doubling of the rate, but there are confidential communications and for my younger friends there are other communications which they probably would not like to put in postcards, but they would like to put them at least in one anna envelopes.

Diwan Bahadur T. Rangachariar: What are they?

Mr. Amar Nath Dutt: You are an old man, you will not understand it. Be that as it may, I will give just one example which will satisfy my old friend. As one of the leading lawyers of the Madras High Court, he has probably to communicate to his clients about the dates of certain cases. You know the practice is that the opponent is always on his guard. If he knows that a postcard is coming from the opponent's pleader, he will try to get it by some means or other from the pleader; and so at times we have to write to our clients in envelopes. As examples, I have given two cases where you require envelopes. So you cannot say that it is not necessary for the poor men to use envelopes. Further, my idea is that if you lessen the price of these envelopes, your income will increase. No doubt you will come to us with certain figures and say that the increase has been very small and will not meet your requirements. But I ask you to retrench your salaries all-round. I ask you also not to rely upon these incorrect figures and see at least what one year of reduced postal rates brings to you. Then you can come to us and say that you cannot go on. But you have not done so since the increase. I ask you to do so on that ground also. Sir, there are very few people in the country who have not to use postage stamps, and to have their costs doubled in this way is certainly not worthy of any civilised administration. Sir, paddy is selling at the present moment at Rs. 1/4 a maund, and from the yield of a particular field the *raiyyat* is unable to pay even the rent due from that field, far less to feed his own cattle or to have anything for himself. But even in that case, how can they purchase postage stamps at such high rates? So I appeal to you to consider this fact and have retrenchment all-round. In the coming Retrenchment Committee you may have such advice but I do not think you can say that it is an Utopian advice. That has been always said by people who want to spend more. If I ask a spendthrift man why he does not live according to his income, he says he cannot lessen his expenditure, because he has to keep a dozen servants and a motor car, and several other luxuries. If you want to go on like that, you of course cannot lessen your expenses, but a man can live even without a motor car, and without a dozen servants. In village post offices you pay only 5, 6, or 8 rupees and the post offices are going on. In a village a little larger than that, you send a Post Master on Rs. 80 or 90, a big salary which our M.A.'s even do not get, and you send him to a village post office. You can easily reduce the salary from Rs. 80 to Rs. 10 and in this

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way you can make a good saving. But still you will pay at a higher rate and thereby set an example for the domestic servants who will also claim a higher rate, and then you will say, "You must pay one anna for an envelope". I ask you not to take shelter under these pleas. Reduce your expenditure. Mr. Sams may take the place of Sir Joseph Bore and then we will have a gentleman to do his work for Rs. 500 a month. Have Postmasters General on Rs. 200 or Rs. 300 a month. Have a Director-General on Rs. 500 a month.

(At this stage Mr. President vacated the Chair which was taken by Sir Hugh Cocke.)

In a poor country, Rs. 500 is not a small amount, and if we keep our men we will have envelopes for one pie, not to speak of half an anna. But you are not going to do that. You may call this an Utopian idea, but surely if you try to make retrenchment, much of the expenditure of the department will be reduced. With these words, I beg to move my amendment.

Mr. C. S. Ranga Iyer (Rohilkund and Kumaon Divisions: Non-Muham-madan Rural): Sir, I thank you very much for giving me an opportunity to make my maiden speech, so to say, on this Budget discussion. Sir, it is very important question, this half anna postage, and I think the very numerous constituents of my distinguished friend, Mr. Amar Nath Dutt, will be very grateful to him for once again bringing up this question, even though it is in a very lean year when the Finance Member has been struggling against adversity, as none of his recent predecessors had to struggle. But, Sir, adversity or no adversity, we have to think of the people who cannot afford the half anna postage. Sir, along with this goes the question also of a pice postcard. If the Finance Member can give some kind of assurance that he will consider the question of a pice postcard, I believe by way of compromise, we might forego our request for this year for a half anna letter postage. I know, Sir, that it is a very difficult thing for the poor people, scattered all over the country, now that the railways have been introduced, to carry on correspondence with their distant relations for an extra half anna, and those who cannot afford to pay one anna for posting their letters, should at least have the facility of using a quarter anna postcard. I know it is coming later, but I would rather put the two things together, because it is more or less the same subject, though technically it does not come under this half-anna amendment. I think something has got to be done to reduce this postage. I know the Postal Department has increased the salary of the postal employees because of our request, and I also know, from the point of view that each department should pay its way, that it is difficult for the Postal Department to agree to reduce the price of the postcard and the one anna envelope. But I do not agree to the proposition that each department must pay its way. For instance, we have the Military Department, which is not paying its way, and I think the Postal Department, which is not paying its way, if it makes up its mind to look at this problem from a different point of view, that a department need not necessarily pay its way, I think it would be easier for the Finance Member to recommend either a half anna envelope or a quarter anna postcard. It is very difficult for us to understand the value of what a quarter of an anna means to the very poor man; and the number of letters that they will write from a

commercial point of view will increase if only the price of the postcard or the envelope is reduced. Therefore I do not think the Finance Department will really be losing if it introduces this reduction. I know it is very difficult for the Finance Member this year to agree to any kind of reduction, especially as he is faced with most difficult circumstances which he has been trying his best to tide over in the best possible manner; and I think the best of us could not have done any the better under the same circumstances. At the same time, feeling as I do, for the difficulties which face him this year, it is extremely difficult to forego what I consider a piece of religious duty to the poor people of this country, forego our responsibility in this matter of standing up for what Mr. Amar Nath Dutt was pleased to describe as a hardy annual.

Mr. C. C. Biswas: Sir, I had hoped that the Government would take the earliest opportunity to reduce the postage rates. Not only, how-
 5 P.M. ever, have they not done so, but I find from a recent notification that they have also increased the rates of the one-anna embossed envelopes. I do not know whether my friends here have noticed that from the first of April next the price of an embossed one anna envelope will be five pice, although the present wholesale rate is retained. For the first time I suppose from next month there will be a distinction made by Government between wholesale rates and retail rates so far as embossed envelopes are concerned.

An Honourable Member: Is that correct?

Mr. C. C. Biswas: There is no question of asking that, because I have got in my hand the notification which appeared in the Gazette of India of the 14th March: it comes into effect from the 1st April; and it purports to be in exercise of some rules under the Post Office Act. It has been done very quietly. I should like to ask my friend Mr. Sams how much additional revenue he expects to make out of this new change in the rates . . .

Mr. H. A. Sams (Director-General of Posts and Telegraphs): I can give that now: it is about 5 lakhs of rupees.

Mr. C. C. Biswas: At any rate, I thought it was only fair to the House that we should have been taken into confidence before any change was made in these rates. I do not suppose my Honourable friend, the Finance Member, made any reference to this contemplated change in his Budget speech or in any other part of the Budget debate, and it should not have been left to us to discover this from an obscure corner of the Gazette of India.

I feel that there is considerable scope for retrenchment in the working of the Posts and Telegraphs Department, and I would just with your leave—I will not take up very much time—quote an extract from the Inchcape Committee's Report, where they say this, referring to the increase in the number of officers as compared with the increase of other staff:

"The number of officers employed has increased from 414 in 1913-14 to 679, or 32 per cent., whereas the number of other staff has only increased by 17 per cent. We think that the number of officers should be reduced to the level necessary to maintain the same ratio of officers to other staff as that which obtained in 1913-14. This effect a total saving of 88 officers, costing roughly Rs. 6 lakh per annum."

Now what have the Government done? What steps have they taken to give effect to these recommendations? They have reduced only 6 officers, and have practically ignored the rest of the Committee's recommendations. This is how Government have been going on, and in the

[Mr. C. C. Biswas.]

face of this, it is somewhat difficult to persuade us that the cost of administration must be such that the public must submit to these enhanced postage rates from year to year.

Mr. Nabakumar Sing Dudhoria (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I rise to support the amendment with some diffidence for this is a deficit budget year. The Government are handicapped by a deficit but the people are more handicapped by trade depression. It is for the middle class people and the small traders mainly that I have risen to support the amendment to reintroduce the one pice postcard. That this is an urgent necessity, I hope, Sir, every one will be ready to admit.

From what I have been able to guess from the Budget papers, I can say that the Government will have not to incur a large expenditure on this score of introducing the one pice postcard. If I am allowed, Sir, to suggest how this can be done, I submit, that if the Provident Fund system be accepted in the place of the pensionary system, a large sum may be made available to meet the expenses that the Government will have to incur on this account.

The Posts and Telegraphs Department has been considered a commercial concern, though the Government have not been slow to recognise it as a public utility service also. If there is no pension in the railways which have already been accepted as commercial concerns, there is no reason why in the Posts and Telegraphs it can not be so. It is rarely that a pensioner can enjoy his pension for more than 10 years. It is not possible for many to enjoy it at all. Even the Postal Union which has been recognised by the Government, endorses the view that the Provident Fund should be preferred to pension in the Post Offices.

The Post Office has to pay about 50 lakhs of rupees as pensionary contribution to the general exchequer. This is about 50 per cent. more of the actual money that is needed for the pension of a year. The actual estimate of the money that is needed for this purpose has not yet been made and will not likely be made within twenty years to come for adjudging pensionary liabilities for experience of a full official generation is needed to make an accurate actuarial estimate.

The anomaly of declaring the Post Office a commercial concern and at the same time compelling it to play its role as a mere department of the Government by having it to pay such a huge sum for so many years as contribution to the pensionary fund of the Government is nothing but a sort of tax on the Post Office.

It can be safely assumed, Sir, that out of about 6½ crores of rupees, the total postal receipt, less than half of the total amount can be needed for the payment of the whole establishment as salary. Roughly speaking, let us take 8 crores and 60 lakhs to be the expenditure on this score. If the Postal Department contributes 1/12th of the annual salary to the Provident Fund of the Postal employees, the Post Office will have to pay only 30 lakhs in place of 50 lakhs; that is to say, the Post Office will gain 20 lakhs thereby, and the sum can be easily utilised in meeting the deficiency that would be caused by the introduction of the one pice postcard.

Now, Sir, apart from the trading people, the largest number of the Indian population who use postcards belong to the middle class, that is the educated class of the country. The average income of this class is under Rs. 500 a year. At the lowest calculation, an average family requires Rs. 30 per annum for domestic correspondence, but it is hardly possible for these people to spend so much on correspondence only, and the result has been safely assuming 60 lakhs to be number of middle class people, i.e., roughly speaking 10 lakhs of families in place of 3 crores of rupees the Postal income would have been this amount from domestic correspondence alone. Most people have been compelled to cut off purely social connection with each other to economise their correspondence expenditure after the innovation of the half anna postcard, and almost all of them have to use postcards where as they would like to write in envelopes. It is one of the reasons why the sale of postcards has not gone lower than it could be expected when the price of a postcard was raised. The sale of envelopes has come down necessarily.

Moreover, due to the trade depression, it has not been possible for many to use postcards for advertisements, and not a few have been compelled to withdraw all advertisements, thereby sustaining loss to their firms. Advertisements, Sir, are not only beneficial to the traders, but also to the customers. In this vast world, where commercial enterprises; new fashions, new wants for higher and finer luxuries and necessary intricate technique of producing fancy and necessary commodities and more intricate market rates ever play a bewildering part, it is not possible for any ordinary customer to find the cheapest and at the same time, best materials for consumption without looking into advertisements competing with each other thus teaching the customers what to choose and how to choose or reject a particular specimen.

Without advertisements, Sir, the customers become shy as well as the traders.

Sir, the re-introduction of the one pice postcard will do good to the customer and the seller alike and this will go to minimise to however small an extent, the stringency of trade depression that is almost making havoc among the people.

I hope, Sir, the Government will not hesitate to accept this humble suggestion of mine.

With these words, I beg to support the amendment.

An Honourable Member: The question may now be put.

Sir Joseph Bhore (Member for Industries and Labour): Sir, the battle of the half anna letter and quarter anna postcard has been fought in this area with almost unflinching regularity year after year. These annual discussions have left the protagonists of the lower rates with little new to add to what has already been said in the debates in this House, while I for my part find it extremely difficult to supplement the arguments which have been used by my predecessors in office on the other side and which have been accepted as valid by this House in the past. There is really, Sir, today only one question which I would like to submit to the earnest consideration of this House, and that is whether the finances of the Department and of the Government of India, being what they are, this is the time for a reduction in rates which have now been in existence for close upon 10 years. The financial results of the reduction which

[Sir Joseph Bhore.]

has been proposed would be disastrous, and it needs no elaborate argument on my part to establish this contention. Working on a basis of 440 million paid letters a year, which is the number which was sent through the post office in the last year for which figures are available, and allowing for an increase of 20 per cent. in the traffic, if rates were halved—a very generous allowance—seeing that when the rates were raised to the present level the fall was less than 16 per cent., I calculate that we would lose a revenue by the proposed reduction of not less than 105 lakhs of rupees; in all probability the loss to us would be considerably greater. Sir, I would ask the House whether so grave a loss of revenue as this can be contemplated in years such as these. If it is urged that I am making a somewhat narrow point, I would reply that in my view in existing circumstances the financial consideration must be the decisive consideration, and that being so, Sir, while I am prepared to combat the view that the existing rates are *per se* excessive, I think it is unnecessary for me to go into that matter.

I would, however, like to reply to one or two other points to which reference has been made by the speakers who have just spoken. As regards the charge for the one anna embossed envelope, I ought to make it quite clear that there has been no increase in postal rates. All that has happened is that, whereas in the past we gave the envelope free to the public at a cost to Government of about 5 lakhs of rupees a year, we are now, I submit quite legitimately, asking the public to pay for stationery which has hitherto been supplied free, and for doing which there was no justification.

My friend, Mr. Amar Nath Dutt, referred to the question of economy. Sir, I have already fully dealt with this question in the remarks I made the other day in this House in defending the Demand for the grant for the Posts and Telegraphs Department. But with reference to what my Honourable friend said about highly-paid officers in the Department, I would like to reiterate what I said on that occasion, and I would like to repeat the figures that I then gave to the House. I said that during the past seven years there had been an increase due to improvements in pay, of something like 141 lakhs of rupees and of that increase, the cost of increases in the pay of officers drawing more than Rs. 800 a month was about 3 lakhs. The whole of the balance was due to improvements in the pay of officers drawing less than Rs. 300 a month. Sir, I do not think it is necessary for me to follow my friend into the further details which he has raised, since I have taken my stand on the financial aspect of the question, but I would like to refer to the policy of Government which has been more than once stated in this House in regard to Posts and Telegraphs surpluses. When we are assured that surpluses have come to stay, we shall use them for the extension of postal facilities, for reorganizations which may be necessary in order to ensure the highest efficiency and also for revisions of rates which may be possible and reasonable. Sir, I confidently appeal to the House to reject this motion.

Mr. Chairman (Sir Hugh Cocke): The question is:

“In Schedule III to the Bill in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head ‘Letters’ the following be substituted:

For a weight not exceeding two and a half tolas ... Half an anna.
For every two and a half tolas or fraction thereof,
exceeding two and a half tolas ... Half an anna.”

(At this stage Mr. President resumed the Chair.)

The Assembly divided:

AYES—33.

Azhar Ali, Mr. Muhammad.
Biswas, Mr. C. C.
Dudhoria, Mr. Nabakumar Sing.
Dutt, Mr. Amar Nath.
Harbans Singh Brar, Sirdar.
Ibrahim Ali Khan, Lt. Nawab
Muhammad.
Ismail Ali Khan, Kunwar Hajee.
Jog, Mr. S. G.
Krishnamachariar, Raja Bahadur G.
Kyaw Myint, U.
Lahiri Chaudhury, Mr. D. K.
Maswood Ahmad, Mr. M.
Mitra, Mr. S. C.
Mujumdar, Sardar G. N.
Murtuza Saheb Bahadur, Maulvi
Sayyid.
Neogy, Mr. K. C.

Ranga Iyer, Mr. C. S.
Reddi, Mr. P. G.
Reddi, Mr. T. N. Ramakrishna.
Roy, Kumar G. B.
Sadiq Hasan, Shaikh.
Sant Singh, Sardar.
Sarda, Rai Sahib Harbilas.
Sen, Mr. S. C.
Sen, Pandit Satyendra Nath.
Shahani, Mr. S. C.
Singh, Kumar Gupteshwar Prasad.
Singh, Mr. Gaya Prasad.
Sitaramaraju, Mr. B.
Thampam, Mr. K. P.
Tun Aung, U.
Uppi Saheb Bahadur, Mr.
Ziauddin Ahmad, Dr.

NOES—46.

Abdul Qaiyum, Nawab Sir Sahibzada.
Acheson, Mr. J. G.
Allah Baksh Khan Tiwana, Khan
Bahadur Malik.
Anklesaria, Mr. N. N.
Ayyangar, Diwan Bahadur V.
Bhasyam.
Bajpai, Mr. R. S.
Banarji, Mr. Rajnarayan.
Baum, Mr. E. F.
Boag, Mr. G. T.
Chatterjee, The Revd. J. C.
Cocke, Sir Hugh.
Crerar, The Honourable Sir James.
Da'al, Dr. R. D.
Fazl-i-Husain, The Honourable Khan
Bahadur Mian Sir.
French, Mr. J. C.
Ghuznavi, Mr. A. H.
Gidney, Lieut.-Colonel H. A. J.
Graham, Sir Lancelot.
Gwynne, Mr. C. W.
Hamilton, Mr. K. B. L.
Heathcote, Mr. L. V.
Hexlett, Mr. J.
Jawahar Singh, Sardar Bahadur
Sardar.

Khurshed Ahmad Khan, Mr.
Macmillan, Mr. A. M.
Moore, Mr. Arthur.
Morgan, Mr. G.
Mukherjee, Rai Bahadur S. C.
Parsons, Mr. A. A. L.
Rafuiddin Ahmad, Khan Bahadur
Maulvi.
Rainy, The Honourable Sir George.
Rajah, Rao Bahadur M. C.
Rau, Mr. H. Shankar.
Roy, Mr. K. C.
Sahi, Mr. Ram Prashad Narayan.
Sams, Mr. H. A.
Sarma, Mr. R. S.
Schuster, The Honourable Sir George.
Scott, Mr. J. Ramsay.
Sher Muhammad Khan Gakhas,
Captain.
Shillidy, Mr. J. A.
Studd, Mr. E.
Sykes, Mr. E. F.
Tin Tut, Mr.
Yamin Khan, Mr. Muhammad.
Young, Mr. G. M.

The motion was negatived.

Pandit Satyendra Nath Sen: I beg to move:

"In Schedule III to the Bill in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head '*Letters*' the following to be substituted:

'For a weight not exceeding one tola ... Half an anna.
For every one tola, or fraction thereof, exceeding
one tola ... Half an anna.'

[Pandit Satyendra Nath Sen.]

Sir, my rate is half an anna for one tola, and not for 2½ tolas. That is to say, I am not so exacting as my Honourable friend, Mr. Dutt, nor am I so exacting as my Honourable friend, Mr. Sams. I have chosen to adopt the middle course, the golden mean.

Sir, the enjoyment of postal services is one of the best amenities of life in the present day, and we all have got accustomed to it. Under the present conditions, many of us have to live in places far distant from our homes, separated from our friends and relatives by vast expanses of land and water. We can endure this separation mainly through the pleasant and ungrudging services rendered by the Postal Department. We all know how inspiring and invigorating it is to receive a timely letter from a friend or relative. In some cases, I may say, such a letter is often almost as good as the very presence of the person whose handwriting it brings. Such a system, I should say, should be made as cheap as possible, so that even the poorest people may take the fullest advantage of these facilities. We used to enjoy these services at cheaper rates during past years until they were increased for some reason or other which we do not know; but whatever may have been the origin of the present tariff, it has proved a failure so far as letters are concerned. There are three objections to the present rate. Firstly, our ordinary letters seldom come up to the weight of 2½ tolas. So, there is a constant waste of this privilege. Secondly, the successive stages entail a full charge which is originally too high. Thirdly, owing to its unpopularity, it has affected the income, I am afraid, of the Postal Department. The Postal Department is running at a loss. The system which I have proposed is an old and experimented one, and I hope it may find popularity with the people and may increase the revenue.

I may add one point more. In regard to the duties that have been so far discussed, I mean, the duties relating to Schedule II, we found it very difficult to come to a unanimous decision, because the imposition of such duties made some of us gainers and some of us losers, but this is a proposition by which every individual will be a gainer—from His Excellency the Governor General down to the humblest being. Even Mr. Sams will be gainer by a considerable amount annually. I would ask my Honourable friends to catch hold of this proposal fast and not allow it to slip away.

With these words, I beg to move this amendment.

The Honourable Sir Joseph Shore: I quite recognise that my Honourable friend has tried to link a reduction in the postal letter rate with a reduction in the weight of the letter, but I am afraid that what really matters, what really is of importance, is the minimum postal rate. Special statistics which were compiled in the year 1906 and in the year 1921, when the rates were half an anna for ¾ of a tola and half an anna for half a tola respectively, show that more than 88 per cent. of the public adapted themselves to even these low weights. I am afraid, therefore, that any income that we might possibly get from an excess over the minimum of one tola which has been provided in this amendment would be negligible, whereas the loss, calculated on the basis which I have just indicated to the House would, it appears to us, amount to a figure of not less than Rs. 85 lakhs; in all probability, the loss would be much greater.

In view of this, and in view of the fact that, as I have already said, financial consideration must be decisive, I must, I am afraid, oppose this motion.

Mr. President: The question is:

"In Schedule III to the Bill in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head '*Letters*' the following be substituted:

'For a weight not exceeding one tola	...	...	Half an anna.
For every one tola, or fraction thereof, exceeding one tola	...	...	Half an anna'."

The motion was negatived.

Mr. S. G. Jog: Before I beg to move this amendment, I submit that I had a talk with the Department and they have promised to investigate the matter, and in that light I do not wish to rush through this amendment.†

Mr. President: You do not wish to move it?

Mr. S. G. Jog: I do not wish to move the amendment. There is no particular hurry about it. My impression is that this proposal of mine will add to the convenience of the public and also to the revenue of the Postal Department. I want the Department to carefully consider the question and till then I am prepared to wait.

Mr. President: Mr. Amar Nath Dutt. (Amendment No. 50)‡

Mr. Amar Nath Dutt: We have been sitting from 11 A.M., and it is now 5-30 P.M., and we have worked for about 6½ hours. Some of us may be strong enough, like my friend, Diwan Bahadur Rangachariar, and can sit late in the afternoon, but every one has not got that constitution and every one cannot sit very late. I request you to consider the matter and adjourn the House. We have become very tired, and considering our health, we find it very difficult to sit and stay on like this.

Mr. President: Now, that a definite request has been made, I myself have been impressed by the fact that attendance in the House is considerably reduced, and though I know that there is pressure of business, I am inclined to accept the suggestion and adjourn the House.

Mr. J. A. Shillidy (Secretary, Industries and Labour Department): Is it not possible to finish this particular item?

Mr. President: There is only one amendment that remains to be disposed of. The other amendments are practically identical. The House can deal with it tomorrow morning.

†"In Schedule III to the Bill in the proposed First Schedule to the Indian Post Office Act, 1898, under the head '*Letters*' the following be inserted:

'For a weight not exceeding one tola, open letters with printed matters or otherwise such as replies to invitations and greetings and invitations	Half an anna'."
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‡"In Schedule III to the Bill in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head '*Postcards*' the following be substituted:

'Single	...	...	...	...	Quarter of an anna.
Reply	...	...	...	...	Half an anna'."

Mr. R. S. Sarma: May we not make an appeal to the Honourable Member to withdraw his amendment? He knows what the fate of that would be.

Mr. Amar Nath Dutt: I will consider that tomorrow.

Mr. President: If the Honourable Member decides to withdraw it tomorrow, then the Postal Department will have been disposed of by then. It is a matter of one amendment and I do not think it is right that I should enforce consideration of this subject now, in view of the attendance in the House.

Sir Lancelot Graham (Secretary, Legislative Department): The attendance is very large outside.

Mr. President: That means that Honourable Members do not take any interest in the subject.

Mr. Arthur Moore: In that case, may we not proceed, if Members are in the House?

The Honourable Sir George Rainy: I am sorry I was not present when this discussion began. I would like to represent that it is important to make as much progress as we can today and tomorrow, because on Wednesday, it will not be possible, in view of other engagements, to sit late. If we could today complete the amendments before we reach the income-tax part of the Act, it would make a very great difference and we should see our way a great deal more clearly.

Diwan Bahadur T. Rangachariar: May I appeal to the Honourable the Leader of the House. There is really a feeling of tiresomeness on the part of Members and a special request has been made by the Mover of the amendment that he himself is tired. I think it is only fair to him that we should adjourn. We will try our best, and I daresay my Honourable friends will also join in that, to go through as fast as possible tomorrow. I myself do not propose to be long on my motion on income-tax. In that way there will be a great saving of time. I beg the Honourable the Leader of the House not to press his motion.

Mr. President: There is one further point which I put to the House before the Leader of the House came in and that is that in disposing of this Schedule relating to Posts and Telegraphs, there is one more amendment to be dealt with. All the rest is disposed of. That is in regard to postcards. I think, having regard to the fact that the non-official Benches are so reduced in attendance, and having regard further to the fact that there is only one amendment to be disposed of, I would prefer to adjourn the House till tomorrow.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 24th March, 1931.