

18th February 1935

THE
LEGISLATIVE ASSEMBLY DEBATES
Report)

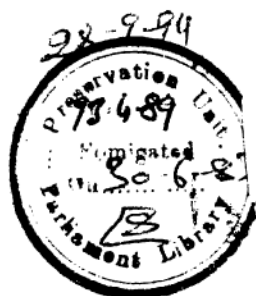
Volume I, 1935

(21st January to 18th February, 1935)

FIRST SESSION

OF THE

FIFTH LEGISLATIVE ASSEMBLY,
1935



NEW DELHI
GOVERNMENT OF INDIA PRESS
1935

Legislative Assembly.

President :

THE HONOURABLE SIR ABDUR RAHIM, K.C.S.I., KT.

Deputy President :

MR. AKHIL CHANDRA DATTA, M.L.A.

Panel of Chairmen :

SIR MUHAMMAD YAKUB, KT., M.L.A.

MR. S. SATYAMURTI, M.L.A.

LIEUT.-COLONEL SIR HENRY GIDNEY, KT., M.L.A.

SARDAR SANT SINGH, M.L.A.

Secretary :

MIAN MUHAMMAD RAFI, BAR.-AT-LAW.

Assistant of the Secretary :

RAI BAHADUR D. DUTT.

Marshal :

CAPTAIN HAJI SARDAR NUR AHMAD KHAN, M.C., I.O.M., I.A.

Committee on Petitions.

MR. AKHIL CHANDRA DATTA, M.L.A., *Chairman.*

MR. S. SATYAMURTI, M.L.A.

DR. ZIAUDDIN AHMAD, C.I.E., M.L.A.

RAJA SIR VASUDEVA RAJAH, KT., C.I.E., M.L.A.

MR. N. M. JOSHI, M.L.A.

CONTENTS.

VOLUME I.—21st January to 18th February, 1935.

	PAGES.		PAGES.
MONDAY, 21ST JANUARY, 1935—		THURSDAY, 24TH JANUARY, 1935—contd.	
Message from His Excellency the Governor General	1	Agreement between His Majesty's Government in the United Kingdom and the Government of India	99—103
Members Sworn	2—7	Statements laid on the Table	103—06
Deaths of Sir Abdulla Suhrawardy, Mr. M. V. Abhyankar, Mr. B. N. Sasmal, Mr. Price and Rai Bahadur Lala Brij Kishore	7—13	Election of the President	106—11
Statements laid on the Table	13—41	Statement of Business	111
Motion for Adjournment re Confidential Circular issued by the Home Department of the Government of India on the decisions of the Bombay Congress—Talked out	41—44, 46—74	Speech delivered to the Legislative Assembly by His Excellency the Viceroy	112—22
Election of the Standing Finance Committee	44	MONDAY, 28TH JANUARY, 1935—	
Election of the Standing Finance Committee for Railways	44—45	Members Sworn	123
Election of the Standing Committee for Roads	45	Motions for Adjournment re—	
Election of two Members to serve on the Reserve Bank of India (Issue and Allotment of Shares) Committee	45—46	Action of the Government of India in concluding the Indo-British Trade Agreement without consulting any Indian Mercantile Organisations—Not moved	123
TUESDAY, 22ND JANUARY, 1935—		Refusal of Permission to Mr. Sarat Chandra Bose to attend the Session of the Legislative Assembly—Not moved	123—24
Member Sworn	75	Governor General's assent to Bills	124
Motion for Adjournment re Prevention of Mr. Sarat Chandra Bose from attending to his duties as a Member of the Legislative Assembly—Adopted	75—76, 77—98	Election of the Deputy President	124—25
The Indian Mines (Amendment) Bill—Introduced	76	Election of Members to the Standing Committee for Roads	125
The Indian Naturalization (Amendment) Bill—Introduced	76—77	Statements laid on the Table	125—29
THURSDAY, 24TH JANUARY, 1935—		Election of the Standing Committee on Emigration	129
Members Sworn	99	Election of the Standing Committee for the Department of Education, Health and Lands	129
Motions for Adjournment	99	Election of the Standing Committee on Pilgrimage to the Hedjaz	129—30
		Election of the Standing Committee for the Department of Industries and Labour	130

MONDAY, 28TH JANUARY, 1935— <i>contd.</i>	PAGES.	TUESDAY, 5TH FEBRUARY, 1935— <i>contd.</i>	PAGES.
The Hedjaz Pilgrims Guides Bill—Introduced	131	Election of Members to serve on the Reserve Bank of India (Issue and Allotment of Shares) Committee	365
The Indian Mines (Amendment) Bill Referred to Select Committee	131—45	Election of the Deputy President	365
The Indian Naturalization (Amendment) Bill—Passed	145—48	Allotment of seats in the Chamber	366
TUESDAY, 29TH JANUARY, 1935—		Resolution re Removal of ban on the Khudai Khidmatgars' Organisation in the North-West Frontier Province—Adopted	366—408
Statements laid on the Table	149—53	Message from His Excellency the Governor General	408
Motion re Indo-British Trade Agreement—Discussion not concluded	154—96	Resolution re Prevention of importation of foreign rice—Discussion not concluded	408—09
Election of the Standing Finance Committee	154		
Statement of Business	179—80		
WEDNESDAY, 30TH JANUARY, 1935—		WEDNESDAY, 6TH FEBRUARY, 1935—	
Death of Mr. M. K. Acharya	197—98	Questions and Answers	411—57
Orders from H. E. the Governor General	198—99	Report of the Joint Parliamentary Committee on Indian Constitutional Reform—Discussion not concluded	457—503
Election of the Standing Finance Committee for Railways	199		
Nominations to the Library Committee	200	THURSDAY, 7TH FEBRUARY, 1935—	
Motion re Indo-British Trade Agreement—Amendment to terminate adopted	200—50	Nomination of the Panel of Chairmen	505
MONDAY, 4TH FEBRUARY, 1935—		Election of the Standing Committee for the Department of Education, Health and Lands	505
Members Sworn	251	Report of the Joint Parliamentary Committee on Indian Constitutional Reform—Amendment of Mr. M. A. Jinnah—Adopted	505—79
Short Notice Question and Answer	251—54		
Statements laid on the Table	254—60	MONDAY, 11TH FEBRUARY, 1935—	
Election of the Deputy President	260—61	Member Sworn	581
Election of the Standing Committee on Emigration	261	Questions and Answers	581—622
Report of the Joint Parliamentary Committee on Indian Constitutional Reform—Discussion not concluded	262—313	Short-Notice Question and Answer	622—24
TUESDAY, 5TH FEBRUARY, 1935—		Motions for Adjournment re—	
Questions and Answers	315—57	Conduct of the Honourable the President in conducting the debate during the discussions of the Joint Parliamentary Committee Report—Ruled out of order	625—28
Unstarred Questions and Answers	358—65		
Election of Members to the Standing Committee on Roads	365		

	PAGES.
MONDAY, 11TH FEBRUARY, 1935—contd.	
Motion for Adjournment <i>re—contd.</i>	
Decision of the Government of India to disregard the verdict of the Assembly on the Indo-British Trade Agreement—Ruled out of order	628—32
Committee on Petitions	632
Resolution <i>re</i> Prevention of importation of foreign rice—Adopted as amended	632—52
Resolution <i>re</i> Removal of disqualification in respect of Pandit Dwarka Parshad Misra and Chowdhury Ashrafuddin for election as a Member of the Legislative Assembly—Adopted	652—64
Resolution <i>re</i> Revision of the taxation policy—Discussion not concluded	664—71
TUESDAY, 12TH FEBRUARY, 1935—	
Questions and Answers	673—711
Statements laid on the Table	711—14
The Indian Criminal Law Amendment (Repeal) Bill—Introduced	714—15
The Code of Criminal Procedure (Amendment) Bill (Amendment of section 103)—Introduced	715
The Code of Criminal Procedure (Amendment) Bill (Amendment of section 408)—Introduced	715
The Code of Criminal Procedure (Amendment) Bill (Repeal of sections 30 and 34 and Amendment of sections 34A and 35)—Introduced	716
WEDNESDAY, 13TH FEBRUARY, 1935—	
Questions and Answers	717—50
Unstarred Questions and Answers	750—64
Election of the Standing Committee for the Department of Commerce	764
Election of the Standing Advisory Committee for the Indian Posts and Telegraphs Department	764
The Payment of Wages Bill—Introduced	765

	PAGES.
WEDNESDAY, 13TH FEBRUARY, 1935—contd.	
The Code of Civil Procedure (Amendment) Bill (Amendment of section 51)—Introduced	765
The Code of Civil Procedure (Second Amendment) Bill—Insertion of new section 44A)—Introduced	765—66
Resolution <i>re</i> Draft Convention of the International Labour Conference concerning the regulation of hours of work in automatic sheet-glass works—Adopted as amended	766—91
Resolution <i>re</i> Draft Convention of the International Labour Conference concerning unemployment insurance and other forms of relief—Discussion not concluded	791—806
THURSDAY, 14TH FEBRUARY, 1935—	
Questions and Answers	807—47
Short Notice Question and Answer	847
Election of the Standing Committee on Pilgrimage to the Hedjaz	847
Election of the Standing Committee for the Department of Industries and Labour	847
Resolution <i>re</i> Revision of the taxation policy—Adopted as amended	847—88
MONDAY, 18TH FEBRUARY, 1935—	
Questions and Answers	889—928
Short Notice Question and Answer	928—29
Motion for Adjournment <i>re</i> Removal of ban from the All-India Hindustani Seva Dal and the Prem Maha Vidyalaya, Brindaban—Ruled out of order	929—31
Message from H. E. the Governor General	931
Presentation of the Railway Budget for 1935-36	932—38

	PAGES.		PAGES.
MONDAY, 18TH FEBRUARY, 1935— <i>contd.</i>		MONDAY, 18TH FEBRUARY, 1935— <i>concl.</i>	
Election of Members to the Governing Body of the Indian Research Fund Association	938	The Code of Civil Procedure (Amendment) Bill (Amendment of section 51)—Circulated	939—60
The Code of Civil Procedure (Third Amendment) Bill (Amendment of section 60)—Introduced	939	The Payment of Wages Bill —Discussion on the motion to refer to Select Committee not concluded	960—70

LEGISLATIVE ASSEMBLY.

Monday, 18th February, 1935.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

QUESTIONS AND ANSWERS.

TAX IMPOSED ON MENIALS IN THE DALHOUSIE CANTONMENT.

282. *Mr. Sham Lal: (a) Is it a fact that a tax of Rs. 1-8 per head has been recently imposed on every menial working in Dalhousie Cantonment and recoverable from the employer?

(b) Are Government aware that under section 60 of the Cantonments Act of 1924, only such tax can be imposed in a Cantonment as may be imposed in any Municipality of the Province in which the Cantonment is situated?

(c) Is it a fact that 'menial tax' is not imposed in any Municipality of the Province in which Dalhousie Cantonment is situated?

(d) Are Government aware that the imposition of this tax has led to further unemployment, and it is being keenly felt by the menials who are already hit by the continued economic depression in the country?

(e) Do Government propose to take steps to have this tax abolished in the Dalhousie Cantonment?

Mr. G. R. F. Tottenham: I have called for a report and will lay a reply on the table in due course.

TAXES IN THE HYDERABAD (SIND) CANTONMENT.

283. *Mr. Sham Lal: (a) Has the All-India Cantonments Association represented to Government that the taxation in Hyderabad (Sindh) Cantonment is very excessive and that the total of direct taxes in that Cantonment comes to about 19 per cent. of the rental value of property?

(b) Is it a fact that the level of taxation in the neighbouring Municipality is much lower?

(c) What action have Government taken on the Association's representation? If no action has been taken, do Government propose to take any, and to bring down the taxation to the level of the adjoining Municipality?

Mr. G. R. F. Tottenham: (a) and (b). Yes.

(c) The power of imposing taxes in Cantonments is vested in the Local Government to whom a copy of the question and answer, together with a copy of the representation from the All-India Cantonments Association, are being forwarded for such action as may be considered necessary.

DISPOSAL OF APPEALS UNDER SCHEDULE V OF THE CANTONMENTS ACT BY THE ARMY COMMANDERS.

284. ***Mr. Sham Lal:** (a) Has the All-India Cantonments Association represented to Government that the disposal of appeals under Schedule V. of the Cantonments Act of 1924 by the Army Commander is very unsatisfactory?

(b) Is it a fact that in most cases, appeals are not heard personally by the Army Commander but by the Inspecting Officers, Military Lands and Cantonments attached to the Command?

(c) Is it a fact that the *Cantonment Advocate* published a number of cases in which the one stereotyped order passed on all kinds of appeals during January, 1934, and October, 1934, by the Army Commander, Northern Command, was to the effect that "after having carefully considered the facts of the cases, the Army Commander was unable to interfere in the order appealed against"?

(d) Is it a fact that to make the proffering of appeals serve the purpose for which these were provided for in the Cantonments Act, the All-India Cantonments Association has suggested that these appeals be in future proffered to the District Magistrate instead of the Army Commander?

(e) Have Government considered the suggestion, and if so, what decision have Government arrived at in this matter?

Mr. G. R. F. Tottenham: Government have received a representation on the subject from the All-India Cantonments Association which follows the lines of the Honourable Member's question. They have informed the Association that they already have under consideration an amendment to the Cantonments Act, 1924, to meet the points they have raised. A final decision has not yet been reached.

HOUSE ALLOWANCES PAID TO MILITARY OFFICERS.

285. ***Mr. Sham Lal:** (a) Will Government be pleased to state what house allowances are paid to the Military Officers of various ranks?

(b) Are Government aware that in several cases a private bungalow is occupied by more than one officer?

(c) Is the house allowance reduced in the cases referred to in part (b) above? If so, to what extent, and what arrangements have been made that all such cases are promptly brought to the notice of Government?

(d) Will Government be pleased to state if any saving is effected in the payment of house allowance if more than one officer occupy a house owned or acquired on lease by Government?

(e) Are Government aware that the growing practice of two or more officers living in one house has resulted in several privately-owned houses and hotels remaining vacant and this is resented by the house-owners who invested their money in building houses for Military Officers?

(f) What are Government rules or instructions about two or more officers living in one house?

(g) Is the house-allowance paid on the implied understanding that the officer in receipt of it will have a house for himself?

(h) Do Government propose to protect the interests of house-owners by insisting that full house allowance will be allowed only to those who rent a separate house for themselves?

Mr. G. R. F. Tottenham: (a) Lodging allowance, the rates of which vary from Rs. 20 to Rs. 250 per mensem, is paid to officers according to their rank or appointment, and whether they are single or married. The allowance is only admissible when Government cannot provide suitable accommodation, either in Government owned, hired, or appropriated buildings.

(b) Yes.

(c) When a private bungalow is shared no question of reducing the Lodging allowance arises.

(d) When a house, provided by Government, is shared, a certain percentage of the lodging allowance of each of them is withheld. This percentage is calculated on the ratio of the accommodation actually occupied by the officer to that to which he is entitled under rule.

(e) The Honourable Member's information is probably correct.

(f) There are no rules or instructions dealing with two or more military officers living in a private bungalow. For those living in the same Government bungalow the rule is as stated in reply to part (d).

(g) No.

(h) Government are not concerned with private arrangements made by officers for their accommodation.

Mr. Lalchand Navalrai: May I know, Sir, if Indian Officers and European Officers get the same allowance for house-rent?

Mr. G. R. F. Tottenham: The new Indian Commissioned Officer receives a consolidated rate of pay which includes an allowance for lodging.

Mr. Lalchand Navalrai: But is it the same as is paid to the European Officer?

Mr. G. R. F. Tottenham: No, Sir, it is not exactly the same.

Mr. Lalchand Navalrai: Why? What is the difference?

Mr. G. R. F. Tottenham: Well, we consider it more suitable in the case of Indian Officers that they should have a consolidated rate of pay instead of a basic rate of pay, with various allowances added on to it; and I think I am right in saying that no more is deducted from their pay than is deducted from the pay of British Officers for such accommodation as they are provided with by Government.

Mr. Lalchand Navalrai: If nothing more is deducted from their pay, then what is the difference? I can't understand?

Mr. G. R. F. Tottenham: Actually it will prove more favourable to the Indian Officers. Having a lower rate of pay and no separate lodging allowance, they will pay a certain percentage of this lower rate of pay for Government accommodation. For instance, they may pay ten per cent. for lodging, which, on a lower rate of pay, is actually less than the British Officer's lodging allowance.

Sir Cowasji Jehangir: Do they get the same class of accommodation?

Mr. G. R. F. Tottenham: The class of accommodation will be slightly different. We had a Committee some time ago including certain Members of the last Assembly who went into that question, and I should like to have notice if the Honourable Member wishes to have exact information. But that Committee did agree to certain reductions in the scale of accommodation.

Sir Cowasji Jehangir: Who decided that?

Mr. G. R. F. Tottenham: There was a Committee at Army Headquarters, and I think three Members of the last Assembly were invited to advise us.

CONSTITUTION OF ELECTED BOARDS IN THE CANTONMENTS OF THE NORTH-WEST FRONTIER PROVINCE.

286. ***Mr. Sham Lal:** (a) Are Government aware that when the New Cantonments Act of 1924 was passed in the Legislative Assembly in July 1923, the Select Committee definitely stated in their Report that they had not recommended the constitution of elected Boards in the Cantonments of the North-West Frontier Province, as the elective principle had not at that time been applied in case of municipalities of that Province?

(b) Are Government aware that this principle had been long applied to the Municipalities, District Boards and other Local Bodies of that Province and that the people of the Cantonments of that Province feel greatly aggrieved that the right had not been extended to them while it was being exercised by ordinary illiterate people in the villages?

(c) Are Government aware that the people of the Frontier Cantonments like Peshawar, Nowshera, Abbottabad and Kohat, have demanded the constitution of elected Boards in their Cantonments and this demand had been repeatedly urged by the All-India Cantonments Association?

(d) Will Government be pleased to state why the people of the Cantonments of the Frontier are deprived of this right?

(e) What are Government's reasons for withholding this right from these people so far?

(f) Do Government propose to redress their legitimate grievance by directing the immediate constitution of elected boards in these Cantonments?

Mr. G. R. F. Tottenham: (a) No Sir. The Select Committee stated their recommendation in the matter and added as one argument in its favour that the elective principle had not yet been generally applied to municipal bodies in the North-West Frontier Province.

(b) The answer to the first part is in the affirmative. As regards the second part, Government have no information.

(c) Representations to the effect stated have been received from certain local associations in Peshawar and also from the All-India Cantonments Association.

(d) and (e). I lay on the table a copy of the letter addressed to the All-India Cantonments Association on the subject in January, 1933, which explains fully the Government's attitude in this matter.

(f) Government adhere to the views expressed in the letter quoted above.

Copy of a letter from the Secretary to the Government of India, Army Department, to the Honorary Secretary, All-India Cantonments Association, Ambala, No. 662-E. [A. D. 4, dated the 4th January, 1933.]

INTRODUCTION OF ELECTIVE PRINCIPLE IN CANTONMENTS IN NORTH-WEST FRONTIER PROVINCE.

In continuation of Army Department letter No. 382-E. (A. D. 4), dated the 18th August, 1932, and with reference to your letter No. 2770/A./C., dated the 25th November, 1932, on the above subject, I am directed to say that the local Government, and the local military authorities have again been consulted. Both authorities are opposed to the extension of the elective principle to Cantonments in the North-West Frontier Province, and discretion in the matter is vested in the Local Government under Section. 14 of the Cantonments Act. The reasons for their opinion, with which the Government of India agree, are that frontier cantonments are so exclusively military in character that conditions in them are so different from those prevailing elsewhere and so frequently entail the departure of military officers from cantonments on active military duties that it would be impossible for the system of elected boards with official majorities to work satisfactorily. They are also of the opinion that the general public are satisfied with the working of the present Cantonment Boards.

In the circumstances, the Government of India do not propose to pursue the matter.

Mr. M. S. Aney: When the province is declared fit for being a Governor's Province, what is the reason for not applying the elective principle to municipalities in the North-West Frontier Province?

Mr. G. S. Bajpai: I am rather at a disadvantage as I have not looked up the papers on the subject, but I believe that recently the elective principle has been introduced in the North-West Frontier Province.

Mr. M. S. Aney: Probably the Honourable Member has not listened to what his colleague has said.

Mr. G. R. F. Tottenham: I have answered part (b) of the question. Part (b) of the question is:

"Are Government aware that this principle had long been applied to the Municipalities, District Boards and other Local Bodies of that Province....."?

The answer to that is in the affirmative.

Mr. Lalchand Navalrai: Are there bungalows resumed under agreement with the Government?

Mr. G. R. F. Tottenham: Yes, Sir, a large number of bungalows have been resumed by mutual agreement with the owners.

Mr. Lalchand Navalrai: Have they been sufficiently compensated?

Mr. G. R. F. Tottenham: Yes, they have all been paid.

BUNGALOWS ACQUIRED IN CANTONMENTS.

287. ***Mr. Sham Lal:** (a) Will Government be pleased to state how many bungalows and in which Cantonments and at what cost, Government have secured, by a recourse to the proceedings of the resumption of the site under the old Bengal Regulations and the acquisition of the property standing thereon under the Land Acquisition Act during the last five years?

(b) Are Government aware that these proceedings have caused widespread indignation and have created a sense of grievous wrong among the house owners?

(c) Do Government propose to modify their policy in this connection, specially in view of the assurances given to the All-India Cantonments Association by the Army Secretary in June 1929 that action under this policy will not be taken except in some emergent cases?

Mr. G. R. F. Tottenham: (a) The number of bungalows, of which Government have so far secured possession under the Land Acquisition Act after resuming the sites, is 59 in the Cantonments of Peshawar, Kohat, Rawalpindi, Meerut, Cawnpore and Lucknow. The total cost involved so far is rupees six lakhs and fifty thousand, but proceedings are not complete in many cases as references have been made against the award of the Land Acquisition Officer to the District Judge under section 18 of the Land Acquisition Act.

(b) Government are aware that certain house owners have protested against the proceedings.

(c) No.

ALLEGED FLOUTING BY THE EXECUTIVE OFFICER, AMBALA CANTONMENT, OF GOVERNMENT ORDERS.

288. ***Mr. Sham Lal:** (a) Has the attention of Government been drawn to an article appearing in the issue of the *Cantonment Advocate* for September, 1934, under the heading 'Are Government Rulings binding'?

(b) Is it a fact that in their letter No. 391-F. A. D. 4, dated the 2nd August, 1934, the Secretary to the Government of India, Army Department, informed the All-India Cantonments Association that it is incumbent on a Cantonment Authority to act on all the Rulings given by Government about the interpretation of various sections of the Cantonments Act and other orders issued by it?

(c) Is it a fact that under Army Department letter No. 1165-A. D. 4, dated the 1st April, 1930, Executive Officers of Cantonments are not permitted to use section 25 of the Cantonments Act "for the institution of prosecutions in any circumstances"?

(d) Are Government aware that in contravention of the above circular, Major G. R. Dowland, Executive Officer, Ambala, used section 25 in instituting a prosecution and when a non-official member drew his attention to this act being opposed to Government orders, he wrote to him as follows:

(a) "I do not consider myself in any way bound by such executive instructions and would have no hesitation in ignoring them."

(b) "If the Government of India did not like my action, they could find another Executive Officer."

(c) If the above position be justified, do Government propose to withdraw their letter making it binding on Cantonment Authorities to carry out Government Rulings and orders? If not, what action do Government propose to take against the Executive Officer who has flouted Government orders in the way described above?

Mr. G. R. F. Tottenham: (a), (b) and (c). Yes, Sir.

(d) Government saw an article to this effect in the *Cantonment Advocate* for September, 1934. On making enquiries they found that the statements were made in a private and personal letter to a certain member of the Board, and were not intended for publication.

(e) Does not arise.

Mr. S. Satyamurti: Do Government think that their officers are entitled to say even in their own private and personal capacity that "If the Government of India did not like my action, they could find another Executive Officer?"

Mr. G. R. F. Tottenham: I do not wish to pronounce any judgment on the officer's conduct, I am not defending it, but I merely say that he did not intend that the statement should be published, and if he made any mistake, I think it was in writing a private letter and expecting that it would be treated with the confidence with which such letters are ordinarily treated.

Mr. S. Satyamurti: In view of the fact that that statement has now been published, will Government take any action against this officer for his impertinence?

Mr. G. R. F. Tottenham: The Government do not consider it necessary to take any further action. I think the officer has already had his lesson.

Mr. S. Satyamurti: Has he been warned?

Mr. G. R. F. Tottenham: Yes, Sir; I made an inquiry.

Mr. S. Satyamurti: Does an inquiry amount to a warning?

Mr. G. R. F. Tottenham: No, Sir; but, in the course of the enquiry, it was brought to the notice of the officer that his action was ill-advised.

**ALLEGED ABUSE OF SECTION 25 OF THE CANTONMENTS ACT BY THE
EXECUTIVE OFFICER, AMBALA.**

289. ***Mr. Sham Lal:** (a) Has the attention of Government been drawn to an article headed 'Abuse of section 25 of Cantonments Act' published on pages 1-4 of the issue of the *Cantonments Advocate* for February, 1934?

(b) Is it a fact that the All-India Cantonments Association supplied to Government other specific cases in which the section was wrongly used by the Executive Officer, Ambala?

(c) Is it a fact that Government informed the All-India Cantonments Association that they did not consider it necessary to take action in the above cases, as the Sadar Bazar, Ambala, had already been separated from the Sadar Bazar?

(d) Will Government be pleased to state what connection the separation of the Bazar had with the cases referred to?

(e) Are Government aware that conniving at the abuse of section 25 has led to its increase?

(f) Is it a fact that the ultimate control of Cantonment Administration rests with Government and Government are responsible that the administration be carried on in accordance with law?

(g) How do Government reconcile this obligation with a disregard to the breach and abuse of section 25?

(h) Do Government intend to revise their decision not to take any action in the cases involving abuse of section 25?

Mr. G. R. F. Tottenham: (a) Government have seen the article.

(b) Yes.

(c) No.

(d) Does not arise.

(e) to (h). Government have never connived at the misuse of section 25. They have explained the scope of the section to Cantonment Authorities and have no reason to believe that it is being used improperly.

**WITHDRAWAL OF THE CIRCULAR ABOUT THE GOVERNMENT'S ATTITUDE
TOWARDS THE VILLAGE INDUSTRIES ASSOCIATION.**

290. ***Mr. S. Satyamurti:** Will the Honourable the Home Member be pleased to state:

(a) whether his attention has been drawn to Mahatma Gandhi's statement to the United Press, published in the *Hindustan Times* of the 22nd January, 1935;

(b) whether in view of Mahatma Gandhi's categorical statement that he will never use the Village Industries Association for organizing civil disobedience, Government propose to withdraw their circular in respect of the attitude of Government officials towards the Association or modify the same; and

(c) if the answer to part (b) be in the negative, the reasons why Government do not propose to take any such action?

The Honourable Sir Henry Craik: (a) I have seen the statement in the Press.

(b) and (c). As I explained in my speech on the Adjournment Motion on the 21st January, Government have not yet formed final views on the question of their attitude towards the All-India Village Industries Association, which was indicated only tentatively in the circular. In reaching their final conclusions, they will take into full consideration all relevant material including Mr. Gandhi's statements and the replies of Local Governments.

Mr. B. Das: Has the statement referred to of Mahatma Gandhi brought about any change of heart in the Honourable the Home Member yet?

The Honourable Sir Henry Craik: The Honourable Member had better wait and see.

Mr. S. Satyamurti: How long is this House going to wait and see? When do the Government propose to make up their mind about this matter?

The Honourable Sir Henry Craik: The Association is not, I understand, in actual working practice yet.

Mr. S. Satyamurti: May I know if the Government propose to wait till they have information from their own sources whether the Association is working, and then try to handicap it by counter instructions?

The Honourable Sir Henry Craik: The Honourable Member is premature in anticipating what the decision of the Government would be.

Mr. S. Satyamurti: The danger is that it will be too late afterwards. I want to know when the Government propose to make up their mind and issue final instructions as to the attitude of their officers towards this Association—some approximate time, I want.

The Honourable Sir Henry Craik: It is difficult for me to give any approximate time. Government will make up their mind after having all the relevant materials before them.

Mr. S. Satyamurti: How long will that take?

The Honourable Sir Henry Craik: That depends on how long the Association takes to get into working order.

Mr. S. Satyamurti: May I know if the Government want to wait till the Association is in working order, and then make up their mind one way or the other, and that they will not help by saying in advance what their attitude will be?

The Honourable Sir Henry Craik: That depends on how the Association develops.

Mr. S. Satyamurti: What other relevant materials do the Government want than the statement of the founder, the publication of the constitution, and of the rules of the Association?

The Honourable Sir Henry Craik: We want to see how the Association will work in actual practice.

Mr. S. Satyamurti: In the meantime, what will be the attitude of the Government till they make up their mind after seeing how the Association works? Will they help, hinder, or remain neutral?

The Honourable Sir Henry Craik: The attitude of the Government will be one of neutrality.

Mr. S. Satyamurti: Benevolent or otherwise?

The Honourable Sir Henry Craik: Very benevolent.

RELEASE OF MR. SARAT CHANDRA BOSE.

291. ***Mr. S. Satyamurti:** Will the Honourable the Home Member be pleased to state:

- (a) whether Government have considered the effect of the passing of the adjournment motion of this House censuring the conduct of Government in detaining Mr. S. C. Bose, M.L.A., and thus preventing him from discharging his duties as a member of this House; and
- (b) whether Government propose to release Mr. Bose, if not, why not?

The Honourable Sir Henry Craik: (a) Yes.

(b) The reasons which led to Mr. Sarat Chandra Bose being detained as a State Prisoner under Regulation III of 1818 were stated by me on the 1st August last, in reply to Mr. Bhuput Sing's question No. 261 and supplementary questions thereon. The question of his continued detention is periodically examined every half year under the provisions of the Regulation. The Government of India have very recently examined the case and do not consider that he should be released at present.

Mr. S. Satyamurti: Did the Government of India examine the case of Mr. Sarat Chandra Bose, after the passing of the adjournment motion in this House?

The Honourable Sir Henry Craik: No. Shortly before that.

Mr. S. Satyamurti: May I know why the Government of India did not consider the verdict of this House, even pay us the compliment of considering it, but quietly ignored it?

The Honourable Sir Henry Craik: The verdict of the House was in respect of certain privileges said to exist. The discussion did not turn on the merits of the detention of Mr. Bose at all.

Mr. Akhil Chandra Datta: May I know whether, in coming to the conclusion that Mr. Bose ought not to be released now, the Government have considered the question as to whether he should be put on trial?

The Honourable Sir Henry Craik: Yes, that has been considered.

Mr. M. S. Aney: What is the conclusion that the Government have arrived at after considering that point?

The Honourable Sir Henry Craik: The Government would not use the Regulation if they thought that the case was one which could be put in a Court. The Regulation provides for cases where it is not considered desirable to bring a person before a Court.

Mr. S. Satyamurti: May I know if the Government's opinion is that if they have no satisfactory evidence, they will proceed under the Regulation and not try the man in a Court of law?

The Honourable Sir Henry Craik: The evidence is satisfactory, but it is evidence of a nature that cannot be put into Court.

Mr. S. Satyamurti: That is, evidence which cannot stand cross-examination, or the judgment of a judicial tribunal?

The Honourable Sir Henry Craik: That is not so.

Mr. S. Satyamurti: With reference to the answer to clause (a) of the question, may I know what is the result of the Government having considered the effect of the passing of the adjournment motion?

The Honourable Sir Henry Craik: The effect is stated in the answer to part (b) of the question.

Mr. S. Satyamurti: May I know if the Government have considered that they owe it to this House to justify their action in preventing Mr. Bose from attending to his duties as a Member of this House?

The Honourable Sir Henry Craik: I made it perfectly clear that I was prepared to justify the reasons for detaining Mr. Bose, on a suitable occasion, but I was not allowed under the ruling of the Chair to do so on the adjournment motion.

Mr. S. Satyamurti: When will the Honourable the Home Member take a suitable occasion to justify their conduct?

The Honourable Sir Henry Craik: It is for the Honourable Member himself to take a suitable occasion for raising the question.

RECRUITMENT OF STAFF FOR THE RESERVE BANK OF INDIA.

292. ***Mr. K. L. Gauba:** (a) Will the Honourable the Finance Member be pleased to state what arrangements have been made for the recruitment of staff for the Reserve Bank of India?

(b) Has any staff been transferred in this connection from the Imperial Bank of India and the Currency Department, and if so, how many?

(c) What precautions are being taken to ensure to Muslims their due share in the staff of the Reserve Bank (i) by transfer from the Imperial Bank and the Currency Department, and (ii) by fresh recruitment?

The Honourable Sir James Grigg: (a) and (c). The recruitment of the staff of the Reserve Bank is a matter for the Central Board of the Bank.

(b) The staff of the Currency Department of Government, at present doing the work which is to be entrusted to the Reserve Bank, is being transferred to the Bank and, it is understood, that a similar procedure is being followed in the case of the Imperial Bank. Approximately 1,500 Government servants will be transferred, but the number has not yet been finally determined. Government have no information about the number of Imperial Bank staff.

Mr. Lalchand Navalrai: Has any officer from the Reserve Bank been appointed to sit for the purpose of recruitment?

The Honourable Sir James Grigg: As I said, this is a matter entirely for the Board of the Reserve Bank and not one in which the Government have either the authority or the desire to interfere.

Mr. Lalchand Navalrai: Have Government no information on that point also?

The Honourable Sir James Grigg: I have got no information beyond the information I have given in reply to this question.

Mr. B. Das: Have Government any control over the Reserve Bank under the Reserve Bank Act? The Honourable Member just now said that the Government have no authority on the Reserve Bank.

The Honourable Sir James Grigg: I did not say so. I said, they have no authority or desire to interfere with the staffing of the Reserve Bank, that is, staff below the Board and the Governors.

Prof. N. G. Ranga: When will the Bank begin to issue its shares?

The Honourable Sir James Grigg: I explained to the House a week or two ago that the Board proposes to have its second meeting in Delhi on February, the 23rd, and on that occasion one of its items of business will be to discuss the question of shares with the Committee which has been elected by the two Houses of the Legislature.

Sir Gowasji Jehangir: Could the Honourable Member inform the House as to whether, over and above those from the currency offices and the servants of the Imperial Bank, any fresh recruitment will take place, because a large number of applications are being received, as I see from the papers, and they are very anxious to know whether any fresh recruitment will take place?

The Honourable Sir James Grigg: I cannot say without notice.

Mr. Lalchand Navai: May I know from the Honourable Member if any policy has been laid down by the Government in which cases they will interfere or get information from the Reserve Bank and in which cases they will leave it entirely to the discretion of the Reserve Bank?

The Honourable Sir James Grigg: The Government propose to adhere strictly to the terms of the Reserve Bank Act.

Prof. N. G. Ranga: Have Government considered the desirability of reserving a minimum portion of the shares for agriculturists?

The Honourable Sir James Grigg: That also is, I am afraid, a matter for the Central Board of the Bank.

Prof. N. G. Ranga: What steps do Government propose to take in order to advertise these shares in the rural parts?

The Honourable Sir James Grigg: The steps in regard to the issue of shares are laid down by Statute in the Reserve Bank Act and the Central Board of the Reserve Bank is bound by that Act.

Mr. K. L. Gauba: In clause (c) of the question, I asked what precautions are being taken to ensure to Muslims their due share in the staff of the Reserve Bank. Do I understand that the Government have no information on the subject?

The Honourable Sir James Grigg: I have no information beyond what I have given in reply to the question. The recruitment of the staff of the Reserve Bank is entirely a matter for them.

Prof. N. G. Ranga: Is there any representative of the rural interests on the directorate of the Reserve Bank?

The Honourable Sir James Grigg: That does not arise out of this question, but it is laid down in the Act that the Board should consider the question of setting up a rural credit department.

AIRCRAFT FIRMS AND AEROPLANES.

293. ***Mr. K. L. Gauba:** Will the Honourable the Commerce Member be pleased to state:

- (a) the number and names of British aircraft firms and their branch offices in India;
- (b) the number and names of foreign aircraft firms and their branch offices in India;
- (c) the number of aeroplanes of British manufacture purchased in India since 1929 by flying clubs, commercial firms, and private individuals; and
- (d) the number of aeroplanes of foreign manufacture purchased in India since 1929 by flying clubs, commercial firms, and private individuals?

The Honourable Sir Frank Noyce: (a) There are five British aircraft manufacturing firms who are known to have branches or agencies in India. Their names and the names of their agents are given in the statement which I lay on the table.

(b) There is no foreign aircraft company which is known to have a branch or agency in India.

(c) and (d). From January 1st, 1929 to 30th January, 1935, 186 aircraft of British manufacture and 12 aircraft of foreign manufacture have been registered in British India.

The 186 British manufactured aircraft according to their first Indian registration were distributed as follows:

Flying Clubs	...	...	...	...	...	48
Commercial firms	...	...	...	...	...	42
Private Individuals	...	...	...	...	...	48
Government	...	...	...	...	...	8

The 12 foreign manufactured aircraft were first registered as follows:

Commercial firms	...	...	...	...	8
Private Individuals	...	...	...	...	9

Statement.

British aircraft manufacturing firm.	Branch or Agency in India.
<i>Manufacturers with branches in India—</i>	
(1) The De Havilland Aircraft Company, Ltd.	The De Havilland Aircraft Co. Ltd. Karachi.
(2) Airspeed Limited	R. K. Dundas, Ltd., New Delhi.
<i>Manufacturers with agents in India—</i>	
(1) Phillips and Powis Aircraft (Reading) Ltd.	Walford's Transport Ltd., Calcutta.
(2) British Klemm Aeroplane Co. Ltd.	The French Motor Car Company, Ltd., Calcutta.
(3) The Cierva Autogiro Company, Limited.	Tata Sons, Limited, Bombay.

MUSLIM REPRESENTATION IN THE HEADQUARTERS OFFICE, NORTH WESTERN RAILWAY.

294. ***Mr. K. L. Gauba:** (a) Has the attention of Government been drawn to a "Letter to the editor" published in the *Eastern Times*, dated the 19th December, 1934, under the caption "Muslim Representation in N. W. R. Headquarters Office"?

(b) Is it a fact that there are at present, as stated in the article, two vacancies in the Establishment Branch of the Headquarters Office, one of which has been caused by the death of a Muslim?

(c) Is it a fact that the proportion of Muslims in the Establishment Branch of the Headquarters Office is negligible?

(d) If the answer to part (c) be in the affirmative, do Government propose to see that, now that opportunity has offered itself, steps are taken to give effect to the many promises made to the Mussalmans from time to time in regard to increasing the number of Muslims in the Establishment Branches of Railways?

Mr. P. R. Rau: (a) No.

(b) and (c). Government have no information.

(d) My Honourable friend's attention is invited to the orders passed by Government on this point contained in their letter No. 660-E.G. of the 81st August, 1933, a copy of which will be found on pages 172-174 of Volume II of the Council of State Debates for 1933. I am forwarding this question to the Agent of the North Western Railway for consideration.

INTER-BRANCH TRANSFERS OF MUSLIMS IN THE HEADQUARTERS OFFICE, NORTH WESTERN RAILWAY.

295. ***Mr. K. L. Gauba:** (a) Is it a fact that a number of well qualified Muslims (B.As. and B.A., I.L.Bs. even) have been posted to routine sections in the North Western Railway Headquarters Office?

(b) If the answer to part (a) be in the affirmative, do Government propose to see that inter-branch transfers are made in order to put deserving Muslims in working sections, particularly the Establishment Section?

Mr. P. R. Rau: (a) and (b). Government have no information, but I have forwarded a copy of the question to the Agent, North Western Railway, who is aware of the policy of the Government in the matter.

STAFF AREA COUNCILS FORMED ON THE NORTH WESTERN RAILWAY.

296. ***Mr. K. L. Gauba:** (a) Will Government please state the number of Staff Area Councils formed on the North Western Railway with the alleged purpose of providing the staff with a means of expressing their grievances?

(b) Will Government please state:

(i) the total number of resolutions adopted by these Staff Area Councils, in—say—the year 1934; and

(ii) the total number and nature of requests made in these resolutions acceded to by the Administration?

(c) Is it a fact that while comparatively junior Anglo-Indian and European subordinate staff can obtain for their exclusive use glass tumblers and *soorahis*, the modest request of the Headquarters Staff Area Council that such an amenity be also extended to the Indian subordinate staff of the Headquarters Office was not entertained by the Administration?

(d) Is it a fact that certain members have been so disgusted with these Councils that they have tendered their resignations from their membership?

(e) Is it not a fact that the representations made by them through these bodies are in a very large majority of cases turned down?

(f) If so, do Government propose to consider the desirability of stopping, in these days of financial stringency, the wastage of public money on maintaining these Councils, employing a large secretariat, and giving travelling allowance and special leave to members for attending meetings?

Mr. P. R. Rau: I have called for certain information and will lay a reply on the table of the House in due course.

ALLEGATIONS AGAINST THE ASSISTANT STAFF WARDEN OF THE HEADQUARTERS OFFICE, NORTH WESTERN RAILWAY.

297. ***Mr. K. L. Gauba:** (a) Is it a fact that the present Assistant Staff Warden of the North Western Railway Headquarters Office is a Qadiani Ahmadi, and that a large number of outsiders visit him during office hours?

(b) Is it a fact that the separate room allotted to him for office use has been virtually converted by him into a *Tabligh* centre?

(c) Is the propagation of un-Islamic Qadiani tenets a part and parcel of his official duties?

(d) Do Government propose to take immediate steps to ensure the discontinuance of such activities?

Mr. P. R. Rau: (a), (b) and (d). Government have no information. A copy of the question is being sent to the Agent, North Western Railway, to see if any action is necessary.

(c) Obviously not.

CLOSING DOWN OF THE BATALA-QADIAN SECTION OF THE NORTH WESTERN RAILWAY.

298. ***Mr. K. L. Gauba:** (a) Is it a fact that, in pursuance of the allegation that the Railway Administration is run on commercial lines, some of the unproductive sections of the North Western Railway were closed down to reduce working expenses?

(b) Is it a fact that the Section, Batala to Qadian (Mughlan), has not been closed down? Is it a fact that this section is a dead loss to Government as far as traffic earnings are concerned?

(c) If so, do Government propose to consider the desirability of closing down this unproductive section of the North Western Railway?

Mr. P. R. Rau: (a) No section of the North Western Railway has been closed down to reduce working expenses.

(b) The reply to the first part is in the affirmative. As regards the second part, an investigation made by the North Western Railway Administration in 1932 showed that there was no justification for closing this or any other branch line.

(c) Does not arise.

†299*

†This question was withdrawn by the questioner.

INCREASE IN THE WEIGHT OF LETTERS FOR ONE ANNA POSTAGE.

300. ***Sir Muhammad Yakub:** (a) Are Government aware that one anna postage for half a tola letters has become a source of great nuisance to the public by rendering a very large number of letters "bearing"?

(b) Do Government propose to increase the weight of letters from half a tola to one tola for one anna postage?

The Honourable Sir Frank Noyce: (a) Government are aware that the public has not yet become fully accustomed to the $\frac{1}{2}$ tola unit of weight for letters, and that, in consequence, the number of insufficiently paid letters this year is larger than it was last year.

(b) Government recognise the desirability of increasing the first unit of weight from $\frac{1}{2}$ tola to 1 tola and will make the change as soon as the financial position of the department justifies the loss of revenue involved.

Mr. S. Satyamurti: How soon will it be?

The Honourable Sir Frank Noyce: I must ask my Honourable friend to wait and see.

TOLL CHARGED ON THE KOSI RAILWAY BRIDGE IN THE RAMPUR STATE.

301. ***Sir Muhammad Yakub:** (a) Are Government aware that the Kosi Railway bridge in Rampur State, on the East Indian Railway is the only bridge on which any toll is charged?

(b) Are Government also aware that a prohibitive toll of rupees two per motor car per trip, without any provision for a return ticket, is charged on the above bridge?

(c) Do Government propose to order the abolition of this toll and make the traffic on the Kosi bridge free like other railway bridges in the United Provinces?

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

(b) A toll of Rs. 2 per car has been in force for the last 40 years. This rate is the rate mentioned in the Schedule to Act XV of 1864 in accordance with which the toll is levied.

(c) The usual procedure in such cases is for the Local Government to take up the question of abolition with the Railway concerned and arrange for compensation to the Railway for the loss involved where necessary. Government understand that no representation has recently been received by the East Indian Railway from the Local Government or from any other interested party.

Sir Leslie Hudson: May I ask the Honourable Member whether there were any motor cars in existence 40 years ago?

(No answer.)

REPRESENTATION OF THE MEMBERS OF THE LEGISLATIVE ASSEMBLY ON THE LAHORE AND KARACHI RAILWAY ADVISORY COMMITTEES.

302. ***Mr. Lalchand Navalrai:** (a) Is it a fact that one seat on the Lahore and Karachi Railway Advisory Committees is reserved for the Members of the Legislative Councils of the Punjab and Sind, respectively?

(b) Is it a fact that for getting local advice, the provincial Governments are given power to nominate some members on the Advisory Committees? If so, do Government propose to amend the constitution of the two Advisory Committees to provide representation from among the Members of the Legislative Assembly of the two provinces? If not, why not?

Mr. P. B. Rau: (a) Three seats on the Lahore Advisory Committee are allotted for Members of the Punjab Legislative Council and one on the Karachi Advisory Committee for a Sind Member of the Bombay Legislative Council.

(b) The reply to the first part is in the affirmative and to the second part in the negative. Government see no reason for the change suggested.

Mr. Lalchand Navalrai: Do Government know that M. L. A.'s have directly to do with railway questions and will do better if they are put on the Advisory Committee and that the Members of the Bombay Council and the Punjab Council have no direct concern except as citizens?

Mr. P. B. Rau: That is a matter of opinion.

Mr. Lalchand Navalrai: That is not a matter of opinion. I am only asking a question of fact. Have the M. L. A.'s direct connection with the railway questions or the M. L. C.'s? That is a plain question.

Mr. P. B. Rau: The Advisory Committees are intended for the purpose of informing the Railway Administration of local opinion on the matters that come up for discussion.

Mr. Lalchand Navalrai: Does not the Honourable Member see the desirability of associating M. L. A.'s with these Advisory Committees?

Mr. P. B. Rau: Members of this House have various other opportunities of bringing their views to the notice of the authorities.

Prof. N. G. Ranga: Are the third class passengers represented on these Committees?

Mr. P. B. Rau: I think I have already answered that question the other day, on the point of who are the members of the Advisory Committees?

Prof. N. G. Ranga: Have any passengers' associations applied for representation?

Mr. P. B. Rau: I have already answered the question as to who are the members of the Railway Advisory Committees.

Prof. N. G. Ranga: What are the interests that are represented on these Advisory Committees?

Mr. P. R. Rau: I think I must ask my Honourable friend to see the reply to that question. I am afraid I do not carry that answer in my head at the present moment.

PROMOTION OF GUARDS ON THE NORTH WESTERN RAILWAY.

303. ***Mr. Lalchand Navalrai:** (a) With reference to the answer laid on the table in September, 1932, in reply to my starred question asked on 23rd March, 1932, will Government be pleased to state if since then the posts of the Guards grade III on the North Western Railway have been abolished? If so, how many, and why?

(b) Are Government aware that guards in grade II are not able to get a lift to grade III and IV owing to continual abolition of posts in these grades?

(c) Is it a fact that guards in grade II have waited indefinitely for promotion since the last eight or nine years, and are Government aware that this has caused dissatisfaction amongst these subordinates?

(d) Do Government propose to stop any further abolition of posts in these higher grade appointments of guards so as to make room for the guards of the lower grades to get their due promotion? If not, why not?

Mr. P. R. Rau: (a) The number of guards in grade III is now 273 against 335 in 1932.

(b) and (c). The number in each grade depends upon the requirements of the Administration; and reductions in total strength to correspond to decreased traffic necessarily involves a redistribution of the posts in the different grades. When in the course of such re-distribution surpluses occur in the higher grades of the various classes, the policy of the Administration has been to retain those surpluses against shortages in lower grades and to allow adjustment to come about through normal wastage.

(d) No. Sir, Government consider that the policy adopted by the Railway Administration is correct and do not propose to interfere.

Mr. Lalchand Navalrai: May I know from the Honourable Member if there are complaints that these guards on the II grade cannot rise to the III grade, as the policy of Government is to abolish the III grade?

Mr. P. R. Rau: I cannot answer that question without notice.

Mr. Lalchand Navalrai: Does not the Honourable Member know himself that there are many persons waiting for years together and not getting into class III, because the policy of Government has been to abolish the III class.

Mr. P. R. Rau: I am not aware of that.

FORMATION OF SELECTION BOARDS FOR RECRUITMENT OF STAFF ON THE NORTH WESTERN RAILWAY.

304. ***Mr. Lalchand Navalrai:** (a) Are Government aware that appointments of the lower subordinates on the State Railways are made through Selection Boards? If so, who form the Selection Board in every Division of the North Western Railway?

(b) Is it a fact that the higher officers in the Division delegate their function of forming a Selection Board to the junior officers of the Division?

(c) Are Government aware that there have been protests against the Selection Boards' way of selection?

(d) Do Government propose to instruct the Railway authorities to make Selection Boards from amongst the Superior officers of the Division?

(e) Are Government aware that a large number of candidates appear before the Selection Boards by payment of one rupee by each candidate as the price of the form of application, which gives the railway a large income, and are they also aware of the complaint that the method of selection by these Selection Boards is not free from influence as no competitive examination is held by them?

(f) Do Government propose to instruct the railway authorities to adopt competitive examination to be held by these Selection Boards for the present in two subjects only, i.e., (i) General information paper, and (ii) *viva voce*?

Mr. P. B. Rau: (a) The answer to the first part of the question is in the affirmative. As regards the latter part, I would invite the Honourable Member's attention to Rule 56 of Section III of the rules for the "Recruitment and training of the subordinate staff on the State-managed Railways", a copy of which is in the Library of the House.

(b) The selection of officers to form a Selection Board is left to the discretion of the head of the Division or Department in which the vacancies occur.

(c) No.

(d) I am conveying the suggestion to the Agents of State-managed Railways for their consideration.

(e) Government have not received any complaints in the matter.

(f) Government have no reason to believe that the present system of selection has failed in its object.

Mr. Lalchand Navairai: May I know whether the Divisional Officer has got the power under these rules to appoint even a small clerk or subordinate to sit as a member of the Selection Board?

Mr. P. B. Rau: Sir, this discretion of the Agent has not been fettered yet, so far as I am aware.

Lieut.-Colonel Sir Henry Gidney: Sir, may I ask if it is or is not a fact that the Railway Board have received many reports from me and others regarding the violation of rules controlling the promotion of subordinates by such selection committees?

Mr. P. B. Rau: I am not aware of any, Sir.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member kindly make inquiries and become aware of it? (Laughter.)

Mr. P. R. Rau: If my Honourable friend will put a question down on the paper, I will certainly do so.

Lieut.-Colonel Sir Henry Gidney: Sir, the Honourable Member representing the Railway Board is apparently not aware of the numbers of complaints which have been referred to the Railway Board, but let me ask him a specific question: is it or is it not a fact that the Railway Board have, in fact, been inundated with complaints regarding the violation of their orders controlling promotions and appointments of subordinates by Selection Committees? In short, that Heads of Departments often make such promotions?

Mr. P. R. Rau: My Honourable friend says he has put a specific question, but if that question involves a research into past history, I am sure I am entitled to notice of that question?

Mr. Lalchand Navalrai: May I ask if it is or is not a fact that the Divisional Officer, Karachi, appointed assistant officers on the Selection Board instead of the superior officers that are usually appointed? Does the Honourable Member know that?

Mr. P. R. Rau: I am not aware of that, Sir, but I am quite willing to take it from my Honourable friend.

Mr. Lalchand Navalrai: Then I would request my Honourable friend to make inquiries.

Mr. President (The Honourable Sir Abdur Rahim): That is not a question.

SELECTION OF CANDIDATES BY THE SELECTION BOARDS ON THE NORTH WESTERN RAILWAY.

305. ***Mr. Lalchand Navalrai:** (a) Is it a fact that appointment, promotion and discharge of certain employees in the subordinate railway service, limitations of which are laid down in the Organization Manual of the North Western Railway, is vested in the Divisional Superintendents?

(b) Is it a fact that in spite of these powers having been delegated to the Divisional Superintendents, a second Selection Board of the candidates chosen, either for appointment in the Commercial or Station Master's group or promotion to grade II Guards' posts, is held in the North Western Railway Headquarters office, Lahore?

(c) Do Government propose to adopt the course of having only one Selection Board and to leave it to the Divisional Selection Boards to select candidates required for their Divisions? If not, why not?

Mr. P. R. Rau: The Agent, North Western Railway, reports that though, under the Organization Manual, Divisional Superintendents have certain powers of appointment, promotion and discharge, circumstances, such as the necessity of maintaining a uniform standard of efficiency and of safeguarding the interest of retrenched staff awaiting reappointment, make it necessary sometimes to centralize appointments and promotion. For instance, recruits for the commercial department and for the grade of

Station Masters, whose first training is given in the Walton Training School, are finally selected by a Central Selection Board to ensure uniformity of standard. The Agent considers it likely that maintenance of the prescribed communal proportions in recruitment will require more frequent use of Central Selection Boards in future.

Mr. Lalchand Navalrai: Have the Railway Board authorised the Agent to exercise his discretion in that manner or to go by the rules?

Mr. P. R. Rau: Certainly, Sir, the Agent has discretion whether to utilise Divisional Selection Boards or Central Selection Boards?

Mr. Lalchand Navalrai: Do I understand that he has discretion in contravention of the orders of the Board?

Mr. P. R. Rau: I do not know what my Honourable friend refers to, but certainly those orders do not prevent Agents from centralising such selections.

Mr. Lalchand Navalrai: I am referring to the question of second selections being made in the head office even though the rule is that the Divisional Officer can appoint without any second selection.

Mr. P. R. Rau: The Divisional Officer is always subject to the instructions of the Agent in this matter.

Mr. Lalchand Navalrai: Do I understand from the Honourable Member that the Railway Board acquiesced in that or authorised them to do that and that even though there are certain rules, the Agent might not obey those rules?

Mr. P. R. Rau: Sir, I have given to the House the reasons adduced by the Agent for centralising such selections, and the Railway Board consider that those reasons are quite sufficient and adequate.

Lieut.-Colonel Sir Henry Gidney: Is the Honourable Member aware of the fact that the Chief Commercial Manager, East Indian Railway, personally makes the appointments of commercial inspectors and other such promotions, and not the Selection Board?

Mr. P. R. Rau: Sir, this question refers to the North Western Railway.

Lieut.-Colonel Sir Henry Gidney: I know, but I am asking the Honourable Member whether he is aware of the fact that the East Indian Railway is showing by their conduct in such matters that the Agent takes no notice of, in fact ignores the orders of, the Railway Board?

Mr. P. R. Rau: I am sure, my Honourable friend is sufficiently watchful of the interests of the East Indian Railway and would have put a question on that subject if there was a real grievance.

Lieut.-Colonel Sir Henry Gidney: Why hypothecate?

CREATION OF THE APPOINTMENTS OF THE SPECIAL TICKET EXAMINERS ON THE NORTH WESTERN RAILWAY.

306. ***Mr. Lalchand Navalrai:** (a) Is it a fact that the appointments of the Special Ticket Examiners were created on the North Western Railway some eight years ago, and that in 1931, designation of old Travelling Ticket Examiners (T. T. Es.) was changed into Special Ticket Examiners (S. T. Es.)?

(b) Did the system of Special Ticket Examiners work satisfactorily? If so, why have not the Special Ticket Examiners other than those whose designation was changed as such from the Travelling Ticket Examiners yet been confirmed as Special Ticket Examiners?

(c) Do Government propose to see their way to confirm the Special Ticket Examiners working as such since long? If not, why not?

Mr. P. R. Rau: (a) An experimental scheme for special ticket examining staff was introduced in 1926. In 1931 the posts of Travelling Ticket Examiners were abolished and staff employed as such were offered and accepted posts of Special Ticket Examiners.

(b) and (c). Government have no information on this point, but have no reason to believe that the system did not work satisfactorily. The confirmation of Special Ticket Examiner is a matter which is within the competence of the Agent, North Western Railway, to deal with, and I have sent a copy of this question to the Agent for such action as he may deem necessary.

Sardar Sant Singh: Is it a fact that a mere change in designation has taken place? Was there any change in the duties allotted to these examiners?

Mr. P. R. Rau: No, Sir, I believe that allegation has been contradicted more than once on the floor of this House.

Sardar Sant Singh: Has not the Honourable Member seen the nature of the programme before 1931 and the nature of the programme adopted in 1931?

Mr. P. R. Rau: I am afraid it is impossible to draw any conclusions from those programmes.

Sardar Sant Singh: Will the Honourable Member appoint somebody who is an expert in this branch to compare the two programmes and find out whether during the four years the programmes have been identical while the emoluments have changed a good deal?

Mr. P. R. Rau: I do not think it is possible to draw any definite conclusions from the programmes.

Sardar Sant Singh: Will the Honourable Member appoint some experts to examine the programme?

Mr. P. R. Rau: No, Sir. Government have been assured by the Agent that the duties are not the same.

Sardar Sant Singh: Why should not the Railway Board take into consideration this fact that while the duties allotted to the Travelling Ticket Examiners and the duties allotted to these Special Ticket Examiners are the same, the emoluments have however changed, and what are the reasons for that?

Mr. P. R. Rau: Government have been assured by the Agent, North Western Railway, that the duties are not the same.

Lieut.-Colonel Sir Henry Gidney: Have not the Railway Board received more than one petition or memorial from its subordinates definitely stating that the duties are the same, although the names have been changed and salaries reduced?

Mr. P. R. Rau: I know, Sir, that that allegation has been made.

Mr. M. S. Aney: Is it not possible for the Honourable Member to say now what is the difference between these two classes of officers?

Mr. P. R. Rau: I am afraid I cannot say it now.

Sardar Sant Singh: May I know what objection the Honourable Member has to appointing some expert to examine the respective duties.

Mr. P. R. Rau: It is quite unnecessary because they have been examined by the Agent, North Western Railway.

Mr. President (The Honourable Sir Abdur Rahim): Next question.

RENT FREE QUARTERS TO THE SPECIAL TICKET EXAMINERS ON THE NORTH WESTERN RAILWAY.

307. ***Mr. Lalchand Navalrai:** (a) Will Government be pleased to state the date from which the Special Ticket Examiners' posts were created on the North Western Railway?

(b) Is it a fact that Special Ticket Examiners as a class were then entitled to rent free railway quarters or house allowance in lieu thereof?

(c) Is it a fact that on revision of the policy of free quarters to Railway staff in August 1928, the Special Ticket Examiners as a class continued to get the privilege of free quarters? If so, why has the said concession been withdrawn with effect from 1st October, 1934?

(d) Is it a fact that on revision of the policy of free quarters in August, 1928, it was ruled that those members of the staff who were recruited or transferred prior to 1st August, 1928, to posts which carried the concession of rent free quarters or house allowance in lieu, will continue to enjoy this privilege personal to them? If so, are Government prepared to continue to grant this concession of free quarters to Special Ticket Examiners? If not, why not?

Mr. P. R. Rau: (a) As I informed the House, in reply to the last question, certain posts of Special Ticket Examiners on the North Western Railway were created as an experiment in 1926.

(b), (c) and (d). I would refer the Honourable Member to the information laid on the table of the House on the 18th July, 1984, in reply to question No. 310 asked by Shaikh Sadiq Hasan..

Mr. Lalchand Navalrai: May I ask the Honourable Member to give me a reply to my question sympathetically (Laughter), namely, whether Special Ticket Examiners going to have their allowance question decided or not? Now they are getting a consolidated sum of Rs. 30, while formerly they made Rs. 200 or so. Has that question been decided or not?

Mr. P. R. Rau: It has been decided. They were given a higher rate of consolidated allowance.

Mr. Lalchand Navalrai: That was a question raised by a complaint and the Honourable Member answered it himself, I think, at some time, namely, that the question whether that consolidated allowance should be increased or at any rate whether it should be given in some other form was under consideration. I am asking whether that question has been decided or not.

Mr. P. R. Rau: If my Honourable friend is referring to certain memorials sent by the Travelling Ticket Examiners, that question has not yet been decided.

ALTERATION IN THE DATE OF BIRTH OF LITERATE STAFF ON THE NORTH WESTERN RAILWAY.

308. ***Mr. Lalchand Navalrai:** (a) Has the attention of Government been drawn to the North Western Railway Administration notification No. 34 appearing in the North Western Railway Gazette No. 10, dated the 18th May, 1984, on the subject of alteration in the date of birth of literate staff?

(b) What is the procedure followed on the North Western Railway in connection with alteration in the date of birth of illiterate staff?

(c) Will Government please refer to paragraph 4 of the North Western Railway administration notification referred to in part (a) and state what remedy exists for the members of the railway staff who had more than five years service on the day of the issue of the said notification?

(d) Are Government aware of the reply given by Honourable the Chief Commissioner of Railways to the Honourable Mr. Hassan Imam's question No. 155 in the Council of State in April 1984, that if an employee could prove that he was younger than what was shown in his service sheet, he automatically got the extension of service and how do they reconcile it with paragraph 3 of the North Western Railway Administration notification No. 34, referred to in part (a)?

(e) Do Government propose to direct the Railway administrations to follow the procedure laid down by the Honourable the Chief Commissioner in his reply to interpellations in the Council of State? If not, why not?

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

(b), (c), (d) and (e). I am collecting certain information necessary to enable me to give a full reply to this question and shall place it on the table of the House in due course.

SENIORITY LIST OF CLERKS ABOVE GRADE IV ON THE NORTH WESTERN RAILWAY.

309. ***Mr. Lalchand Navalrai:** (a) Is it a fact that clerical posts in the Divisional Offices of the North Western Railway above grade IV are controlled by the Agent, North Western Railway, and that a common seniority list of all such posts in the different sections is maintained in the Agent's offices?

(b) If the reply to part (a) be in the affirmative, why is the seniority list of the clerical staff drawing pay above grade IV in the Agent's office Lahore, separately maintained?

(c) Do Government propose to ask the North Western Railway administration to maintain a combined seniority list of clerks above grade IV, employed in Divisional Offices as well as the Headquarters office? If not, why not?

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

(b) The Agent explains that when District Offices were combined, on the introduction of the Divisional Organisation in 1924, the cadres of the clerical establishment of those offices were also combined and the staff were brought on to common seniority lists as for each divisional office. Similarly the clerical establishment employed in the offices of the Heads of Departments and the Agent came on to the establishment of the Headquarters Office and were brought on the common seniority list of that office. The clerical establishment employed in the old District Offices had not been borne on the same list as those employed in the offices of Heads of Departments and consequently there was no combined seniority list maintained for all clerical staff.

(c) I understand that this question was considered in 1926 and it was decided that the practice of keeping separate seniority lists of clerks for the Headquarters office and for the Divisional Offices should continue. The Agent reports, however, that he proposes to examine whether a combined seniority list above grade IV is practicable now.

EMPLOYEES DISCHARGED FROM SERVICE ON THE NORTH WESTERN RAILWAY.

310. ***Mr. Lalchand Navalrai:** (a) Will Government please state the date on which the revised discharge and dismissal rules were brought into force on the North Western Railway?

(b) Will Government please place on the table of this House a statement showing separately for each Division of the North Western Railway the number of employees discharged from service otherwise than on the grounds of reduction in establishment, since the day the discharge and dismissal rules were brought into force?

(c) How many of such discharged employees appealed against the orders of discharge from service?

(d) In how many cases the appellants were successful and were reinstated in service as a consequence of the appeals?

(e) If the percentage is very small, do Government propose to ask the North Western Railway administration to instruct the appellate authorities not to treat the appeals against orders of discharge as a mere formality? If not, why not?

Mr. P. R. Rau: (a) The Rules regulating the dismissal and discharge of State Railway non-gazetted Government servants were introduced on the North Western Railway on the 23rd June, 1930.

(b), (c) and (d). Government regret their inability to undertake the compilation of information which will involve an amount of time and labour, not commensurate with the results likely to be obtained.

(e) The Railway Administrations are aware that Government desire that appeals against the orders of discharge should not be treated as a mere formality. Government have no reason to believe that they do not follow this policy, and do not consider any special instructions necessary.

CONTEMPLATED RETRENCHMENT IN THE MADRAS DEAD LETTER OFFICE.

311. *Prof. N. G. Ranga: (a) With reference to the contemplated retrenchment in the Madras Dead Letter Office, will Government be pleased to state, whether it is a fact that two officials of above 25 years and three officials of less than ten years service are to be retrenched? If so, on what basis and for what reasons?

(b) How many half years' enumeration figures should be taken into account according to the rules, to

(i) determine fall in traffic, and

(ii) assess the strength of the office?

(c) Is it not a fact that according to paragraph 2 of Bewoor's Time Test Report, which has been approved by Government of India, two half years' enumeration figures should be the basis on which

(i) strength of the staff can be determined, and

(ii) retrenchment can be made?

(d) Is it not a fact that the contemplated retrenchments has been based on a single week's enumeration figures taken out by two Lower Selection Grade clerks under instructions from a Deputy Postmaster General and that too in his absence?

(e) If the reply to part (d) be in the affirmative, can these figures be taken as the sole factor to determine the strength of the office ignoring (i) the figures taken by the Assistant Postmasters General themselves during the usual two enumeration weeks in the year, and (ii) the standard rules regarding the assessment of the strength of the office?

(f) If enumeration figures of a single week taken under the circumstances mentioned in part (d) above should show high figures to justify enhancement of the strength of the office, are Government prepared to increase the staff on the basis of such figures? If so, on what authority and if not, why not?

(g) Have Government considered whether it is not possible to absorb the retrenched junior officials in the Postmaster General's Office, Madras? Is it a fact that the Dead Letter Office, Madras forms a part and parcel of the Circle Office? If not, why are the services of some of the clerks of the Dead Letter Office, Madras very often utilised in the circle office?

(h) Is it not a fact that even now some of the Dead Letter Office clerks are working in the circle office? If they are, on what authority has the Postmaster General, Madras, been utilising their services, and why will it not be possible to make similar arrangements to absorb at least the junior retrenched officials in the Postmaster General's Office?

(i) Do Government propose to intervene at this stage and urge the postponement of the retrenchment till the decision of the Government of India on P. P. E. Committee's report?

The Honourable Sir Frank Noyce: Information has been called for and a reply will be placed on the table of the House in due course.

INCONVENIENCE CAUSED TO TRAFFIC ON THE SAMASTIPUR STATION, BENGAL AND NORTH WESTERN RAILWAY.

312. ***Mr. Satya Narayan Sinha:** (a) Are Government aware that due to the newly built level-crossing of the west end side of the Samastipur Railway Station (Bengal and North Western Railway) traffic is very much inconvenienced on account of its gates being generally closed for half an hour and sometimes for an hour and it being situated on a very important road, big traffic is held up on its both sides?

(b) Are Government aware that the local public agitated for the redress of their grievance in the local newspaper 'Searchlight' and made representation to the Agent of the said Railway and the latter paid a deaf ear to it?

(c) Do Government propose to ask the Railway Administration concerned to do the needful by removing the grievance of the public as soon as possible by making an underground passage there or by shifting the level crossing to some other site?

Mr. P. R. Rau: (a) to (c). A petition from the local inhabitants regarding this level crossing was received by Government sometime ago, and has been sent to the Agent, Bengal and North Western Railway, for investigation.

UNSATISFACTORY ARRANGEMENT FOR DRINKING WATER AT THE SONEPUR STATION, BENGAL AND NORTH WESTERN RAILWAY.

313. ***Mr. Satya Narayan Sinha:** (a) Are Government aware that the arrangement for drinking water for the passengers at the Sonepur Railway Station (Bengal and North Western Railway) is far from satisfactory?

(b) Are Government aware that more often than not the water taps on the said Railway Station give water only in drops and it takes even an ordinary sized water pot, fifteen minutes to fill up and by that time one might miss his train?

(c) Do Government propose to ask the Railway Authorities concerned to make satisfactory arrangement for drinking water at the said Railway Station?

Mr. P. R. Rau: (a) The Agent, Bengal and North Western Railway, states that there are two large cisterns on the passenger platform at Sonepur, one at each end and opposite the place where passenger trains halt. Each cistern has 12 taps. There are also three stand pipes at a suitable distance from the cisterns. The taps are open throughout the 24 hours, and hand carts containing drinking water are also moved about by watermen alongside passenger trains.

(b) The Agent states that actual tests show that a cistern tap fills an ordinary brass drinking vessel in 30 seconds.

(c) I am sure my Honourable friend will agree that the facts I have given show that the arrangements are satisfactory at present.

BAD CONDITION OF LATRINE IN THE THIRD CLASS CARRIAGES OF THE BENGAL AND NORTH WESTERN RAILWAY.

314. ***Mr. Satya Narayan Sinha:** (a) Are Government aware of the very bad arrangement of lavatory in the third class carriages of the Bengal and North Western Railway?

(b) Do Government propose to ask the Railway Authorities concerned to improve the condition of the latrines in the said carriages?

Mr. P. R. Rau: The Agent of the Bengal and North Western Railway has already been addressed on the subject.

Mr. S. Satyamurti: When was he addressed?

Mr. P. R. Rau: About six months ago.

Mr. S. Satyamurti: Have Government heard anything from him?

Mr. P. R. Rau: I think not yet.

Mr. S. Satyamurti: Have Government sent him any reminder?

Mr. P. R. Rau: If they have not sent a reminder, I shall be glad to do it now.

Mr. S. Satyamurti: Is six months the normal period for replies to communications?

Mr. P. R. Rau: Six months is only my vague recollection.

Mr. S. Satyamurti: Do Government realise that the inconvenience mentioned in clause (a) of this question is a very serious one and do Government propose to press the Agent to take immediate steps?

Mr. P. R. Rau: Government have asked him to take steps immediately.

Mr. S. Satyamurti: In view of the fact that he has not replied for six months, will Government take steps against this Agent?

Mr. P. R. Rau: I do not remember the exact date of the communication.

Mr. S. Satyamurti: Is it six years?

Mr. P. R. Rau: No, Sir; it is not six years. It is less than six months.

CONCESSION IN REALISATION OF INCOME-TAX TO MONEY-LENDERS AND OTHER BUSINESS MEN IN BIHAR AND ORISSA.

315. ***Mr. Satya Narayan Sinha:** (a) Are Government aware that in the earthquake area of the Districts of Bihar and Orissa, people who were carrying on money-lending and other businesses were hard hit due to the said calamity and consequently their income has very much fallen down?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state whether any instruction has been issued by the Department of Income-tax to make some concession either in realisation by giving time, for instance, or in levying of the taxes? If not, why not?

Mr. A. J. Ralsman: (a) I am prepared to take it from the Honourable Member that the facts are as stated.

(b) Income-tax Officers of the areas affected by the earthquake have been instructed to grant time liberally for payment of tax in cases where the assesses have suffered from the earthquake. The law itself provides for relief in the levy of the tax, since it requires the assessment to be made on the income, so that where the income is reduced the assessment must also be reduced.

Mr. Lalchand Navalrai: May I ask, Sir, if the Central Board of Revenue have examined the matter in order to find out that they are being liberally considered by the officers?

Mr. A. J. Ralsman: The Board has had no complaints that these instructions are not being carried out.

APPOINTMENT OF A SPECIAL OFFICER TO LOOK AFTER THE RECRUITMENT OF MUSLIMS IN THE RAILWAY SERVICES.

316. ***Mr. A. K. Fuzlul Huq:** (a) Are Government aware that there is a strong feeling among Muslims that the recent orders regarding the reservation of certain percentages of appointments for Muslims in the Railway services will not be acted upon properly unless a special officer is appointed to watch that the orders are being carried out?

(b) Do Government of India (Railway Department) propose to appoint a special officer for this purpose, and if so, when?

Mr. P. R. Rau: An officer has been appointed as an Additional Deputy Secretary in the Home Department among whose functions will be included a co-ordination of the action taken by all Central Departments to give effect to the Resolution in question. Government do not consider it necessary to have an officer specially for railways.

COMMUNAL COMPOSITION OF THE STAFF IN THE CUSTOMS DEPARTMENT, BOMBAY.

317. ***Mr. Ahmed Ebrahim Haroon Jaffer:** (a) Will Government be pleased to state, community-wise, the total number of appointments—permanent, temporary and provisional, made since 1930 in the cadre of:

- (i) Appraisers,
- (ii) Examining Officers,
- (iii) Preventive Officers, and
- (iv) Clerks (Upper and Lower Divisions).

in the Customs Department at Bombay?

(b) Is it a fact that the orders of the Government of India regarding the recruitment on communal basis were not followed, and will Government be pleased to state whether steps are being taken to rectify the past deficiencies by proportionately increasing the number of new recruits from the communities affected?

Mr. A. J. Raisman: (a) A statement containing the information asked for by the Honourable Member is placed on the table.

(b) The orders of the Government of India have been observed.

Community-wise statement of appointments made at the Bombay Custom House from 1st January, 1930, to 31st December, 1934, in the cadre of (i) Appraisers, (ii) Examining Officers, (iii) Preventive Officers and (iv) Clerks (Upper and Lower Divisions).

Name of the cadre and nature of appointments.	Total number of appointments.	Number of appointments in the previous column filled in by—						Remarks.
		Hindus.	Mahomedans.	Europeans and Anglo-Indians.	Sikhs.	Indian Christians.	Other Communities.	
(i) Appraisers (Substantive and Permanent).	7	3	2	..	..	1	1*	* Parsi.
(ii) Examining Officers (Substantive and Permanent).	13	6	1	..	..	3	3†	† 1 Jew. 2 Parsis.
Candidate Examining Officers.	11	5	3	..	..	1	2‡	‡ 1 Parsi. 1 Jew.
(iii) Preventive Officers (Substantive and Permanent).	10	2	..	6	2	..	..
Candidate Preventive Officers.	12	1	4	2	..	1	4§	§ 2 Portuguese-Indians. 2 Parsis.
(iv) Clerks (Upper Division and Lower Division)—(Substantive and Permanent).	66	45	10	1	..	8	2||	|| 1 Jew. 1 Parsi.
Clerks (Temporary)	18	8	4	3	..	2	1¶	¶ Parsi.

Mr. Ahmed Ebrahim Haroon Jaffer: Will the Honourable Member kindly repeat the answer to part (b) as I could not follow it?

Mr. A. J. Raisman: The Honourable Member asked whether it was a fact that certain orders have been observed, and the answer was that the orders of the Government of India have been observed.

Mr. Ahmed Ebrahim Haroon Jaffer: May I know whether, at the time of making appointments, the policy adopted by Government of giving 25 per cent. appointments to Muhammadans is adhered to?

Mr. A. J. Raisman: The Honourable Member's question relates to appointments made since 1930, and it seems to me that he is now referring to the Resolution of the Home Department issued quite recently. I am not aware that any appointments have been made since then. If they have, I have no doubt that the latest orders have been duly followed.

Mr. Ahmed Ebrahim Haroon Jaffer: Will those orders be observed with regard to the future appointments in the Department?

Mr. A. J. Raisman: Certainly. The orders contained in the Resolution apply to all the Departments.

Mr. Ahmed Ebrahim Haroon Jaffer: Are they being given effect to?

(No answer was given.)

FALL IN THE PRICE OF FOREIGN SUGAR.

318. ***Mr. M. Ananthasayanam Ayyangar:** (a) Are Government aware that the price of foreign sugar has come down from Rs. 6-9-8 per cwt. of 16 DS. in March 1932 to Rs. 4-13-0 in November 1934 as published in the monthly account of sea-borne trade?

(b) Are Government aware that such a continuous reduction of prices has adversely affected the indigenous production of sugar?

(c) Do Government propose to increase the import duty on foreign sugar as contemplated in section 4 of Act XIII of 1932?

The Honourable Sir Joseph Bhoré: (a) Yes. The average declared value of imported sugar of 16 Dutch Standard and above as given in the Indian Seaborne Trade Accounts was Rs. 6-9-1 per cwt. in March, 1932, and Rs. 4-13-8 per cwt. in November, 1934.

(b) There has been no adverse effect on sugar production in India, which on the contrary has been rapidly increasing. Production of sugar from cane in modern factories in India has risen from 158,581 tons in 1931-32 to 453,965 tons in 1933-34. Estimated production for the current year is 590,000 tons.

(c) The Government of India have now under consideration certain representations for an increase in the import duty on foreign sugar.

Prof. N. G. Ranga: Are Government aware that the imports of Javanese sugar in India are still increasing in spite of the falling price?

The Honourable Sir Joseph Bhoré: I do not think that that statement is quite correct.

Prof. N. G. Ranga: Has the area under sugar cultivation increased ever since this duty has been imposed?

The Honourable Sir Joseph Bhoré: It certainly has been increasing very materially.

Prof. N. G. Ranga: Has not the rate of increase fallen ever since the imposition of this excise duty?

The Honourable Sir Joseph Bhoré: The excise duty was only imposed last year.

Prof. N. G. Ranga: Since it was imposed, is not the Honourable the Commerce Member aware of the fact that the rate of increase in the area under sugar cultivation has come down?

The Honourable Sir Joseph Bhoré: The rate of increase may have decreased, but there has, I think, been an increase in the area of cultivation.

Prof. N. G. Ranga: Is the Honourable the Commerce Member aware of the fact that this House has passed Mr. Ayyangar's amendment without a division that the excise duty on sugar should be abolished?

The Honourable Sir Joseph Bhoré: When was that done, Sir?

Prof. N. G. Ranga: It was done last week.

The Honourable Sir Joseph Bhoré: Was it not merely to consider the question?

Prof. N. G. Ranga: May I know what action the Government of India propose to take on that Resolution of the House?

The Honourable Sir Joseph Bhoré: I think my Honourable friend had better wait and see what the next Budget brings him.

Prof. N. G. Ranga: Shall we know from the Honourable the Finance Member what he proposes to do in regard to that decision of the House?

(No answer.)

PROPOSAL TO CONNECT THE TIRUPATI EAST STATION WITH MADRAS BY METRE GAUGE RAILWAY.

319. ***Mr. M. Ananthasayanam Ayyangar:** (a) Will Government please state whether there was a proposal to connect the Tirupati East station with Madras by metre gauge railway?

(b) Has the proposal been dropped? If so why?

(c) How much has been spent hitherto on the investigation of the scheme?

Mr. P. B. Rau: (a) Yes.

(b) The proposal was under consideration in 1929 when financial difficulties supervened and it was dropped for the time being.

(d) The line was first surveyed in 1912-18 at a cost of Rs. 67,000. Further investigations in 1928-29 added Rs. 9,000 to the cost.

Mr. M. Ananthasayanam Ayyangar: May I ask, Sir, what the cost of the scheme was?

Mr. P. E. Rau: I do not think that we got any accurate estimate of the cost.

Prof. N. G. Ranga: Is the Honourable Member aware of the fact that the Local Railway Advisory Committee has already complained that the Government have not yet taken up the development of this scheme?

Mr. P. E. Rau: No, Sir; I do not remember having seen any statement of the Local Railway Advisory Committee to that effect.

Prof. N. G. Ranga: Will the Honourable Member care to consult the last report of the Local Railway Advisory Committee?

Mr. P. E. Rau: I will do that with pleasure.

Mr. M. Ananthasayanam Ayyangar: In view of the Honourable Member's statement that 15 crores were to be spent on capital expenditure in the coming year, will he be pleased to take up this scheme?

Mr. P. E. Rau: Government are taking up the re-consideration of all the projects which were considered remunerative, but which were dropped for the time being owing to the financial stringency. If this project is likely to be remunerative, it will be one of the projects that will be re-considered.

SELECTION OF CANDIDATES FOR ADMISSION TO THE INDIAN AUDIT AND ACCOUNTS SERVICE EXAMINATION.

320. ***Mr. M. Ananthasayanam Ayyangar:** (a) Will Government please state how many applications were received by the Public Service Commission for admission to the Indian Audit and Accounts Service Examination held in November, 1934?

(b) How many candidates were actually allowed to appear at the examination?

(c) What was the principle on which the selection for admission to the examination was made? Was admission restricted to first class Honours graduates or M.A.'s with first class, or were second class Honours candidates and M.A.'s also admitted?

(d) Was any differential criterion applied to candidates from different communities?

(e) What period elapsed between the date of intimation of selection to the candidates and the actual date of examination?

(f) Are Government aware that there has been undue delay in the intimation sent to the candidates about their selection or about their rejection?

(g) Why were the candidates who were rejected not informed of the grounds for rejection?

(h) Do Government propose to refund the admission fees of Rs. 7-8-0 in the case of those candidates who were not selected for appearing at the examination?

(i) Do Government propose to consider the advisability of fixing the criterion on which candidates would be selected in future years so that the candidates might not apply in large numbers and get disappointed at non-selection?

The Honourable Sir James Grigg: (a) 810.

(b) 216.

(c) and (d). I would invite the attention of the Honourable Member to rule 2 of the rules applicable to the examination which were published with the Finance Department Resolution, dated the 31st of May, 1934. The Commission did not adopt any rigid criterion based on educational qualifications.

(e) About two weeks.

(f) Intimation was sent as soon as possible. The delay was due mainly to the abnormal number of applications.

(g) The Commission do not give reasons for decisions arrived at in the exercise of discretion vested in them.

(h) The fee of Rs. 7-8-0 was not an admission fee but an application fee, and as the applications were duly considered, it cannot be refunded. An additional fee is paid by candidates who are admitted to the examination.

(i) Government do not consider that it would be practicable to fix such a criterion.

Mr. Mohan Lal Saksena: May I know what is the additional fee that the candidates are required to pay?

The Honourable Sir James Grigg: If accepted for admission to the examination, fifty rupees immediately after the receipt of the certificate of admission and sixteen rupees for examination by the medical board.

Prof. N. G. Ranga: Is the examination periodical or whenever there is a need for recruitment?

The Honourable Sir James Grigg: I am not sure about that.

Mr. S. Satyamurti: Part (d) of the question was:

"Was any differential criterion applied to candidates from different communities?"

Will the Honourable Member give a categorical statement whether these differential criteria are applied to candidates from different communities or they are not applied?

The Honourable Sir James Grigg: My answer was: "that the Commission did not adopt any rigid criterion based on educational qualifications". I had better read out rule 2 of the rules applicable to the examination which says:

"The maximum number of candidates to be admitted to the examination may, at the discretion of the Governor General in Council be limited to such number, not being less than 200, as the Governor General in Council may decide. If the number of candidates exceeds that limit, the Public Service Commission shall select from among the applicants, those who shall be admitted to the examination and in doing so shall have regard to the suitability of the applicants and to the adequate representation of the various Provinces and communities of India."

Mr. S. Satyamurti: I am asking, whether in respect of following that rule, any differential educational qualifications are applied to different communities?

The Honourable Sir James Grigg: I do not know, Sir. The matter is one for the discretion of the Public Service Commission and there is no rigid criterion based on educational qualifications.

Mr. S. Satyamurti: Is there any different minimum qualification prescribed for recruits of different communities?

The Honourable Sir James Grigg: If the Honourable Member will put down a question on the notice paper, I shall try to get an answer.

HARDSHIPS TO YOUNG MEN CONVICTED OF REVOLUTIONARY OFFENCES AFTER THEIR RELEASE IN DELHI AND AJMER-MERWARA.

321. ***Mr. M. Asaf Ali:** Are Government aware that the domiciliary visits and surveillance to which young men convicted of revolutionary offences are persistently subjected after their release in Delhi and Ajmer-Merwara stand in their way of finding employment and resumption of normal life? If so, are Government prepared to take steps to remedy such hardships?

The Honourable Sir Henry Craik: Only such persons convicted of revolutionary offences as are considered to be still dangerous are subjected to police surveillance or domiciliary visits. The local authorities fully realise the difficulty felt by these persons in finding employment, and, therefore, when they are satisfied that the person concerned is no longer dangerous and wishes to resume a normal life, surveillance is at once withdrawn.

Prof. N. G. Ranga: Are Government aware that not only those who are convicted of revolutionary offences, but also ordinary persons are still being harassed by these surveillance officers?

The Honourable Sir Henry Craik: I am not aware of that.

Mr. M. Asaf Ali: Are Government aware that some of these men have been hounded out from place to place without the slightest possible reason for doing that?

The Honourable Sir Henry Craik: Is the Honourable Member referring to Delhi or Ajmer? |

Mr. M. Asaf Ali: I am referring to Delhi for the present.

The Honourable Sir Henry Craik: Will the Honourable Member give me particulars?

Mr. M. Asaf Ali: I am referring to Prof. Nigam.

The Honourable Sir Henry Craik: If the Honourable Member will give me particulars outside this House, I will have enquiries made.

Prof. N. G. Ranga: Is the Honourable Member aware that one Honourable Member of this House is being persistently followed by a C.I.D. Inspector and a constable?

The Honourable Sir Henry Craik: Yes, I am myself followed.

Mr. S. Satyamurti: In view of the answer in which the Honourable the Home Member himself admits that Honourable Members of this House are being watched by his C.I.D. people,

The Honourable Sir Henry Craik: I said "I am myself".

Mr. S. Satyamurti: May I know whether the Government realise that, in sending these domiciliary visitors, they are preventing these men from finding employment, and the Government are punishing these people twice over, and after their having fully served their terms of imprisonment for offences of which they were convicted? What is the moral or legal basis on which the Government try to punish the men twice over?

The Honourable Sir Henry Craik: The object of these domiciliary visits is not to prevent a man from having employment, but to find out whether he is living in the same house.

Mr. S. Satyamurti: Do Government realise that the result of these frequent domiciliary visits is that these unfortunate men are unable to find employment?

The Honourable Sir Henry Craik: I have said that the local authorities fully realise the difficulty felt by these persons in finding employment, and, therefore, when they are satisfied that the person concerned is no longer dangerous, their surveillance is at once withdrawn.

Mr. S. Satyamurti: What is the legal or the moral basis for this additional punishment?

Mr. Mohan Lal Saksena: Will the Honourable Member please lay on the table a list of all Honourable Members who are being followed by the C. I. D.?

The Honourable Sir Henry Craik: The only case I know of is the one mentioned by the Honourable questioner. If the Honourable Member will give me particulars of any other cases, I will make enquiries.

Mr. Lalchand Navarai: May I know if these are revolutionary case prisoners?

Mr. President (The Honourable Sir Abdur Rahim): Next question, please.

WORKING UP OF THE NEW CONSTITUTION BY INDIANS.

322. ***Mr. N. V. Gadgil:** (a) Is it a fact that the Secretary of State for India in Council has stated in his speech before the House of Commons during the debate on the Joint Committee's Report, that he has been assured by the Governor General in India and the Governors that the new constitution would be worked up by Indians?

(b) If so, will Government please state whether the Governor General or the various Governors gave the said assurance after consulting public men?

(c) If the reply to part (b) be in the affirmative, will Government please state what political parties in India were consulted, and state the names of persons so consulted?

The Honourable Sir Nripendra Sircar: (a) I am not aware that the Secretary of State made any statement in the terms mentioned by the Honourable Member.

(b) and (c). Do not arise, but with reference to them I would refer the Honourable Member to the reply given by me to my Honourable friend Mr. Satyamurti's question No. 209 on the 13th February, 1935, and the supplementary questions put to me on the same.

Prof. N. G. Ranga: Is it or is it not a fact that the Rajah Sahib of Bobbili, Sir Muhammad Usman and Sir A. P. Patro have been consulted for Madras for this purpose?

The Honourable Sir Nripendra Sircar: No, Sir; they were not consulted by the Government of India.

Prof. N. G. Ranga: Is the Honourable Member aware that soon after the publication of the Joint Parliamentary Committee Report, these gentlemen hastened to assure the British Government of the readiness of India to co-operate in the working of the constitution based on that Report?

The Honourable Sir Nripendra Sircar: I think the question was limited to what was done by the Government of India or the Governor General in Council and I have specifically answered those questions.

EXPORT OF GOLD FROM INDIA.

323. ***Sardar Sant Singh:** (a) How much gold has left India since England went off the gold standard?

(b) Do Government propose to place any restrictions on the export of gold?

The Honourable Sir James Grigg: (a) I would refer the Honourable Member to the reply given to Mr. Mohan Lal Saksena's question No. 88 in this Session.

(b) I would refer the Honourable Member to the reply given by Sir George Schuster to question No. 340 asked by Mr. B. L. Rastogi on the 1st of September, 1933.

Sardar Sant Singh: Has there been any change in the policy of the Government since Sir George Schuster left the shores of India?

The Honourable Sir James Grigg: In this matter, no, Sir.

Prof. N. G. Ranga: Is the Honourable Member aware that the United States Supreme Court is about to give its decision on the gold clause?

The Honourable Sir James Grigg: I do not quite see how that is going to affect India.

Prof. N. G. Ranga: Will not the decision affect India's interests?

The Honourable Sir James Grigg: I would like to see what the decision is.

Prof. N. G. Ranga: Are Government prepared to face the decision when it comes?

The Honourable Sir James Grigg: I disclaim all pretence to having any powers of prophecy.

COUNTRIES WHICH HAVE PROHIBITED THE EXPORT OF GOLD.

324. ***Sardar Sant Singh:** (a) How many countries of the world prohibited the export of gold since England went off the gold standard?

(b) In how many countries does such prohibition still continue?

The Honourable Sir James Grigg: The Honourable Member will find a list of the countries which abandoned the gold standard between September, 1931, and the middle of 1932 in Table VI of the World Economic Survey for 1931-32. Since then, the United States of America have prohibited gold exports, except under license and have adopted a new provisional party. There are also certain restrictions in force in Germany, Holland, and, I believe, Italy.

Prof. N. G. Ranga: Have any representations been received from various interests in India that gold export from India should also be prohibited?

The Honourable Sir James Grigg: I have seen various suggestions in the Press, but to the best of my knowledge, I have not myself had any specific representations.

Sardar Sant Singh: Do not the same considerations govern the policy of the Government of India in prohibiting the export of gold from this country as govern those countries where the export has been prohibited?

The Honourable Sir James Grigg: Not in the least.

Prof. N. G. Ranga: Are Government aware that this export of gold works harmfully to the best interests of India?

The Honourable Sir James Grigg: No, Sir.

Mr. B. Das: Have Government received representations from various Chambers of Commerce for banning the export of gold from India?

The Honourable Sir James Grigg: I do not remember having seen any representations personally; but I have no doubt that certain Chambers of Commerce have expressed their views on the subject.

Mr. B. Das: Is the Honourable Member prepared to receive such representations from the country?

The Honourable Sir James Grigg: I would refer the Honourable Member to the last part of my answer to the previous question.

Prof. N. G. Ranga: Is the Honourable Member aware that if all the gold that has been exported has been kept in India, the working of the Reserve Bank would have been very much more facilitated?

The Honourable Sir James Grigg: I do not agree with that view in the slightest degree.

SHORT NOTICE QUESTION AND ANSWER.

EXTENSION OF THE LIVES OF PROVINCIAL COUNCILS.

Mr. S. Satyamurti: Will the Honourable the Law Member be pleased
12 Noon. to state:

- (a) whether the Government of India have ever considered since 1933 the question of extending the lives of the Provincial Councils beyond their normal terms of three years;
- (b) what were the facts and reasons which influenced them to recommend the extension of the lives of these Councils;
- (c) whether Government are aware that, in some cases, the lives of the Provincial Councils have been extended to nearly double their normal terms; and
- (d) whether there are any proposals for holding fresh elections to the Provincial Councils in the Provinces; if so, when; if not, why not?

The Honourable Sir Nripendra Sircar: (a) The reply is in the negative. The power to extend the life of a Provincial Legislature is vested in the Governor of the Province by section 72B of the Government of India Act.

(b) Does not arise.

(c) The statement is believed to be correct.

(d) Government have no information.

Mr. S. Satyamurti: May I know if this question was ever considered as an all-India question, in any of these years?

The Honourable Sir Nripendra Sircar: As the question referred to the period since 1933, I shall ask for notice if the question now is whether it was ever considered.

Mr. S. Satyamurti: Was it considered since the termination of the normal lives of the existing Provincial Councils which means three years?

The Honourable Sir Nripendra Sircar: Does my Honourable friend ask me to go back beyond 1933 or to confine me to the period since 1933?

Mr. S. Satyamurti: The later period.

The Honourable Sir Nripendra Sircar: That I have answered.

Mr. S. Satyamurti: May I take it, therefore, that so far as the Government of India are concerned, since 1933 they never had any opportunity of advising the Governor General or considering the question as an all-India one?

The Honourable Sir Nripendra Sircar: The answer to part (a) of the question was in the negative and from that my Honourable friend can draw such conclusion as is justified.

Mr. S. Satyamurti: With reference to clause (d) of the question, may I know whether it is a fact that the Secretary of State is anxious to hold fresh elections to all these Councils, but that the Provincial Governments are against it, specially the Executive Councillors who are I.C.S. men, and who are afraid of losing their jobs?

The Honourable Sir Nripendra Sircar: Not to my knowledge, Sir.

MOTION FOR ADJOURNMENT.

REMOVAL OF BAN FROM THE ALL-INDIA HINDUSTANI SEVA DAL AND THE PREM MAHA VIDYALAYA, BRINDABAN.

Mr. President (The Honourable Sir Abdur Rahim): I have received a notice from Mr. Sri Prakasa that he proposes to ask for leave to move the adjournment of the House to discuss a definite matter of urgent public importance, namely:

"The refusal of the Government to remove the ban from the All-India Hindustani Seva Dal and the Prem Maha Vidyalyaya, Brindaban, as was disclosed in the course of the unsatisfactory answers of the Honourable the Home Member to my questions relating to them on the 14th instant."

I have to inquire whether any Honourable Member has any objection to this motion.

The Honourable Sir Henry Craik (Home Member): Sir, a motion for adjournment must raise a definite matter of urgent public importance and it must be restricted to a specific matter of recent occurrence. I submit that there is no matter of recent occurrence that is covered by this motion. The ban on these two Associations was imposed, not by the Government of India, but by the Local Governments which have full discretion under the law to do so, and it was imposed at least three years ago. I submit, therefore, that the motion does not refer to a specific matter of recent occurrence. It refers to a matter which has been in the same state as it is at present for the last three years. I suggest on that ground that the motion is not covered by the rules regarding motions of adjournment.

Pandit Govind Ballabh Pant (Rohilkund and Kumaon Divisions: Non-Muhammadian Rural): Sir, the motion has arisen out of the answers given by the Honourable the Home Member to the questions put on the 14th of this month. This is the first meeting of the Assembly since those answers were given. The imposing of the ban is one thing; the refusal on the part of Government to lift the ban is another thing. We want to discuss not the imposition of the ban, but the refusal on the part of Government to remove the ban. That is a matter of recent occurrence, and as it relates to an all-India organisation like the Hindustani Seva Dal, it is certainly a matter of urgent public importance and of recent occurrence.

The Honourable Sir Henry Craik: Sir, I may clear up the position by saying that as far as I can recollect, I did not in answering the questions say anything about refusing to remove the ban. It is not within the powers of the Government of India to refuse or to agree. The matter rests solely with the Local Government. I have only corrected the typescript of my replies, but, to the best of my recollection, I never said anything about refusal to lift the ban. I do not even remember that I was asked a question whether Government refuse to lift the ban.

Mr. Sri Prakasa (Allahabad and Jhansi Divisions: Non-Muhammadian Rural): Sir, I hope to be able to satisfy you that this Adjournment Motion is in order. That it is definite, there is no denying; that it is a matter of urgency has been shown to you by my Honourable friend, Pandit Govind Ballabh Pant; and that the matter is of public importance also cannot be denied.

Mr. President (The Honourable Sir Abdur Rahim): It is only the question of urgency to which objection has been taken.

Mr. Sri Prakasa: The Honourable the Home Member has just said that this is a matter for the Provincial Government and that he is not concerned with it. That is not what he said on that day. In fact he even went out of his way to say that these institutions were revolutionary.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member does not appear to be in order in arguing the matter. He should only state his point.

Mr. Sri Prakasa: I have to say this that it is a matter of great urgency, because the attitude of Government is imposing a continuing wrong, and, as long as the wrong continues, it is a matter that must be of incessant urgency. And as the wrong is being inflicted on innocent institutions despite the policy adopted by Government in the case of similar other institutions, we feel that it is a matter on which we can move the adjournment of the House and censure Government.

Pandit Govind Ballabh Pant: Sir, the Honourable the Home Member

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot make a second speech.

Objection has been taken that this motion is not in order, because it cannot be considered urgent. This ban has been imposed on the two Associations mentioned some time ago and the Honourable the Home Member, therefore, urges that it cannot be said to be a matter of recent occurrence. Rule 12 says:

"and the motion must be restricted to a specific matter of recent occurrence."

The Chair does not see how it is possible for it to hold that it is a specific matter of recent occurrence having regard to the fact that the ban was imposed some time ago. What has been argued in defence of this motion is that it became a matter of recent occurrence and urgency in view of the replies given by the Honourable the Home Member to questions put on this subject. The Chair does not think that that can make the occurrence recent, because the occurrence here is the imposition of the ban and not putting the question and the answer received. The Chair, therefore, rules this motion as not in order.

MESSAGE FROM H. E. THE GOVERNOR GENERAL.

Mr. President (The Honourable Sir Abdur Rahim): I have received a Message from His Excellency the Governor General:

(The Message was received by the Assembly standing.)

"In exercise of the powers conferred by rule 2 of the Indian Legislative Rules, I, Freeman, Earl of Willingdon, hereby appoint the Honourable Sir Joseph Bhore to perform the functions assigned to the Finance Member under rule 46 of the said Rules on the occasion of the general discussion appointed for Wednesday, the 20th February, 1935, on the statement of the estimated annual expenditure and revenue of the Governor General in Council in respect of Railways.

(Sd.) WILLINGDON.
Viceroy and Governor-General."

RAILWAY BUDGET FOR 1985-86.

The Honourable Sir Joseph Bhore (Member for Commerce and Railways): Sir, this is the last occasion on which I shall discharge the annual duty of presenting to the Assembly a budget for the Railways of India. The three years during which this task has fallen on me, have unfortunately been part of that period of depression which overtook the world some five years ago. We have spent these years in battling against the effects of shrinking traffic and dwindling receipts. Development and expansion have had to be subordinated to the rigid demands of economy, and hopes of effecting much desired improvements have steadily faded away under the paramount necessity for conserving our financial resources. The prime consideration in these years has had to be the safeguarding of our financial position. We bear, it is true, severe traces of the storm which, we hope, we have at last weathered, but the intrinsic strength of that position is, I venture to submit, unimpaired. This period of trial has, moreover, not been without its silver lining. The need for the pursuit of economy, translated into terms of greater efficiency, has been impressed ineffaceably on Railway Administrations, and the results will, I hope, be permanently reflected in their working.

2. In presenting the budget for 1934-35 this time last year, I drew attention to the improvement that had begun to manifest itself in traffic during 1933-34, and expressed the belief that the steady upward trend in our goods earnings justified us in the hope that, at last, we were fairly on the road to recovery, though I was careful to add that it would be rash to anticipate any rapid progress for some time along that road. On that anticipation the Budget for the current year was framed. The course of events since last February has fortunately borne out those hopes, and we now have additional grounds for an even more optimistic forecast. Though our progress has been slow, it has been steady, and set-backs, though not entirely absent, have been on the whole few and of no serious magnitude.

3. I need not detain the House this year with lengthy explanations of changes in the form of the papers placed in the hands of Honourable Members, because I am glad to say there are none requiring such notice. I might, however, draw particular attention to the graphs included this year in the Budget Memorandum which show, at a glance, the important features of railway finance from the time the Railway Budget was separated from the General Budget. Before I pass on to my main business today, may I suggest to Honourable Members who are new to this House that, when giving notice of cuts, they should follow the practice observed in recent years in the Assembly of indicating the questions which they intend to raise. The obvious advantage of this procedure is that it enables Government members to supply the House with fuller information on the points raised than would be possible otherwise.

Financial results of 1933-34.

4. The Administration Report of Railways for 1933-34 has been in the hands of members for some time, and it is unnecessary for me to deal at length with the results of that year save to say that they followed our anticipations fairly closely. The actual deficit for the year, shown in our accounts, was just under 8 crores. It would have been about half a crore less but for the fact that, owing to holidays at the end of the financial year, a portion of our earnings for the year 1933-34 could not be credited in our accounts until the following year.

Revised estimates for 1934-35.

5. In presenting the budget for 1934-35 we estimated a deficit of $5\frac{1}{2}$ crores, including our loss on strategic lines. For the first time in recent years I am glad to be able to say that the results we have already achieved, justify us in the hope that the year will end appreciably better than we anticipated. The improvement in our traffic receipts has been larger than we allowed for, and, including the $\frac{1}{2}$ crore transferred from last year to the current year, we now estimate our total traffic receipts at $90\frac{1}{2}$ crores against 89 crores originally budgeted for. The working expenses have also increased but to a smaller extent—roughly half a crore. We now estimate our net revenue, taking into account our miscellaneous receipts and expenditure, at about $27\frac{1}{2}$ crores instead of 26 $\frac{1}{2}$ crores, as originally anticipated. The interest charges are a trifle less than we provided, and our net deficit has been reduced from $5\frac{1}{2}$ crores to $4\frac{1}{2}$ crores, of which commercial lines account for about $2\frac{1}{2}$ crores. This will be met, as in previous years, by a temporary loan from the depreciation fund, the actual balance of which at the end of the financial year will be 11 crores against $9\frac{1}{2}$ crores at the beginning of the year.

6. We are indeed fortunate that our anticipations of traffic receipts have been more than fulfilled. But, though the improvement in goods receipts which we hoped for has been realised, and indeed more than realised, we have seen this year a further fall in our passenger receipts. Part of this is, I have no doubt, due to the reduction of 3rd class fares that we have recently introduced on some of our railways, for, both in regard to the number of passengers and the lead per passenger, the figures for this year are appreciably above the figures for the last year. The results of our experiment on the North Western Railway have not so far been entirely encouraging. During the 12 months following the reduction in fares, there has been an increase of 11 per cent. (6 million) in the number of passengers carried but a decrease of 1 per cent. (4 lakhs) in earnings. The figures are now being analysed in detail by zones, and we shall endeavour to apply the lessons we shall learn from this experiment more generally. I may also add that we have embarked on a somewhat similar experiment on the Great Indian Peninsula Railway of reducing third class fares. On the Eastern Bengal Railway, we have started an experiment of another sort, viz., of issuing third class return tickets at $1\frac{1}{2}$ fares. We naturally hope that the increase of passengers, which we expect as a result of these reductions, will justify them and will be more than enough to counter-balance the immediate loss in earnings resulting therefrom. But, even if these innovations result in no more than a balancing of the position, the greater facilities afforded to a larger number of passengers will have made them worth while.

7. When, however, we turn to our goods traffic, there are definite grounds for congratulation. Except under oil seeds, sugar and jute, the Railways have carried a much larger tonnage, and their earnings have been much higher during the months, April to November, of the current year than in the corresponding period of last year. The increase under coal is over 11 per cent. in tonnage and 12 per cent. in earnings. In rice the increase is 20 per cent. in tonnage and 10 per cent. in earnings. In gram and pulses it is over 30 per cent. both in tonnage and earnings. In metallic ores, the increase is still more remarkable; it is over 40 per cent. in tonnage and over 50 per cent. in earnings. These figures seem to me strong justification for the view that we have definitely turned the corner and that we may now hope once more with some measure of confidence for a period of balanced budgets, so far at any rate as our commercial lines are concerned.

[Sir Joseph Bhore.]

8. While the traffic receipts in the current year, making allowance for the transfer of half a crore from earnings from last year to the current year, are about $3\frac{1}{2}$ crores more than last year, our increased working expenses (excluding depreciation) are expected to be less than $\frac{1}{2}$ of a crore higher. Most of this increased expenditure is due to the necessity for heavier repairs to all kinds of railway assets, including permanent way, buildings, rolling stock and equipment. As has been pointed out in previous years, the reduction in expenditure effected since the year 1931-32 was, to an appreciable extent, necessarily of the nature of postponement of expenditure, and the time has come when these arrears have to be made up. As a result, we have had to spend about half a crore more than last year on repairs. There is, further, the additional cost of coal, staff, etc., required for moving the additional traffic we obtained. All told, however, the estimated increase in working expenses is less than a quarter of the estimated increase in receipts.

9. I gave to the House last year a brief account of the damage caused by those disastrous convulsions of Nature, the Bihar earthquake and the sudden floods in the river Ganges which not only damaged, but threatened with destruction, the protection works of the Hardinge bridge on the Eastern Bengal Railway. We had little material at the time to frame an accurate estimate; but I stated that the cost of repairing the damage might well be between $\frac{1}{2}$ crore and a crore so far as the earthquake went, and between a crore and a crore and a half for the Hardinge bridge. It will interest the House to know what our present estimates of the amounts required are. We now anticipate that, during the three years 1933-34 to 1935-36, we shall require about 82 lakhs for the repair of earthquake damages and 137 lakhs for the Hardinge bridge protection works. As regards the latter, the House will be glad to hear that the works already constructed have proved sufficient to withstand all pressure during the flood season of 1934 successfully except for three serious slips which are now being repaired. Though the situation is not entirely free from danger, there is every hope that the steps already taken and those proposed to be taken will be sufficient to protect the bridge, and I may add, the results of the investigations so far made warrant the hope that the additional works required will not be so extensive as was at one time expected. Following the recommendations of the Committee which examined the whole situation most carefully, arrangements have been made with the kind co-operation of the Government of Bombay, which I am glad to acknowledge here, to carry out experiments in Poona with a working model embodying, as far as possible, the actual conditions prevailing. It is anticipated that these experiments will give us most valuable data to guide us for the future.

Budget estimates for 1935-36.

10. Our total estimate of traffic receipts on State lines next year is $93\frac{1}{2}$ crores, against $90\frac{1}{2}$ crores this year, which latter figure includes the half crore I have referred to as due to purely adventitious circumstances. Our total working expenses, including depreciation, are expected to amount to $64\frac{1}{2}$ crores. Including miscellaneous receipts of $\frac{1}{2}$ crore, our net revenue will be $29\frac{1}{2}$ crores; interest charges will be just under $31\frac{1}{2}$ crores, and our deficit will thus be 190 lakhs. A loan of this amount from the depreciation fund will be required with the result that the fund will show an actual balance of 13 crores at the end of the year. Our estimated deficit of 190 lakhs has been arrived at after providing for a deficit on strategic lines of 197 lakhs. On commercial lines alone, therefore, we expect that we shall be able just to balance our budget, our estimate of the final result being a small surplus of 7 lakhs.

11. The course of events for the last 18 months justifies us, we believe, in estimating for the next year an increase in traffic receipts to the extent of 3½ crores, which is the amount by which this year's receipts have exceeded those of the previous year. The steady, almost continuous, improvement shown this year in our goods traffic, and the increase in passenger traffic, though not in earnings, can, in our opinion, be taken as definite indications of a regular upward trend, which may be expected to continue. We desire to avoid undue optimism, and we are therefore allowing only for the same increase next year as we expect to get this year.

12. All signs at present point to a further improvement in the future which is likely to be sustained, if not spectacular. We feel we are justified in giving practical expression to this conclusion by a reduction in certain freight rates, and it is this feeling of confidence in the future which has led to the decision announced a few days ago of a reduction in the surcharge on coal freights. This reduction may be considered small in itself, but taking all the circumstances into consideration, including the fact that the surplus we are forecasting is exiguous, and may with a very slight change for the worse in our traffic turn into a deficit, we do not think we would be justified in going further. The reduction, it is estimated, will, in the event of no increase resulting in the volume of traffic, involve a loss in earnings of over 20 lakhs on the carriage of coal for the public. The maximum of Re. 1 imposed on the reduced surcharge of 12½ per cent. will, we feel sure, be of considerable benefit to long distance traffic on which the burden of the present rate has fallen most heavily. The result will be that the surcharge on all distances above 700 miles will be the same. To take a concrete instance, the surcharge on the freight from the Jherriah Coalfields to Karachi or Ahmedabad or Lahore or Delhi will be the same as the surcharge to Ghaziabad.

13. Our ordinary working expenses we place at a crore and five lakhs above the figure for the current year. Of this sum, 92 lakhs are due to the fact that it has been decided not to reimpose the cuts in pay which were first imposed three years ago as an emergency measure. Apart from the fact that more than half the staff on State Railways are actually Government servants and that Railways have therefore from the beginning followed the policy of Government in this matter, we feel that, with a revival in earnings to an extent that we think will enable us to balance the budget of commercial lines without recourse to the continuance of the cut, we could not, consistently with our pledges, refuse to follow the action taken with regard to other Government servants. The wide discontent among our staff which would have followed any attempt to single them out for specially unfavourable treatment, would, I have no doubt, have resulted in grave detriment to efficiency, if not indeed in serious labour trouble.

14. For the rest, our estimate of working expenses provides for the continuance of expenditure on repairs and maintenance on about the same scale as during the current year. It also provides for a special expenditure of 10 lakhs to re-condition some of our wagons which, though still nowhere near the end of their normal life, have proved very uneconomical to maintain and run. If we can do this at a reasonable cost, it will prove more economical than the purchase of new wagons. The only other point of interest I would like to refer to in connection with our estimates of expenditure, is the proposal to make the Central Standards Office permanent with a somewhat larger staff and to provide an annual grant for research. The valuable work done by this office in standardising articles required for railways with the dual object of making such articles cheaper by enabling processes of mass production to be employed in their manufacture and of encouraging such manufacture in the country

[Sir Joseph Bhore.]

itself, is well known and I need hardly dilate on it at any length here. This organisation has, however, been somewhat hampered in its activities by insufficient staff and inadequate funds for research, and I am glad that, with the improvement in our financial prospects, we have been able to set apart a small sum for the purpose of accelerating these directly remunerative activities.

15. I have referred in my two previous budget speeches to the extent of our contributions to the depreciation fund and the criticisms we were occasionally subjected to on that account. I regret to say that we have not been able to arrive at final conclusions on the wide and complicated question of what should be the theoretically proper allocation of works expenditure between capital and revenue, but, pending such a decision, we have decided, after consultation with the Auditor-General and with the concurrence of the Standing Finance Committee for Railways and the Public Accounts Committee and with the approval of the Secretary of State to simplify our calculations for the depreciation fund by taking the amount to be put by for depreciation as a definite fraction, viz., $\frac{1}{60}$ th of the total capital at charge. As a result, during 1935-36, the amount that we have to set aside for depreciation will be $13\frac{1}{2}$ crores, about 45 lakhs less than during the current year.

16. I must emphasise at this stage that this decision has been taken purely from the point of view of simplification of procedure and should not be treated as indicative of the final views of Government on the general question of the amount which should be provided for the purpose required. The fraction adopted has been selected to yield as far as possible the same results as the older complicated calculation. In the first ten years, the average annual contribution under the old method was 12.17 crores and under the new method it would be 12.10 crores.

17. I have in previous years expressed my confidence in the essential strength and soundness of the financial position of Indian Railways notwithstanding the successive deficits since 1930-31. The results of the last year and the estimates which I am placing before the Assembly today have, I make bold to claim, justified that optimism. A review of results, if it is to be of any value, must extend over a sufficiently lengthy period to eliminate the distorting effects of temporary causes and give a true picture of the whole. Taking broad results, it will be seen that in the 12 years ending with 1935-36, 6 years of prosperity and 6 of adversity, the net results of the working of all State-owned lines, commercial and strategic, will, if our present estimates prove correct, be a surplus of 14 crores and an accumulated balance in the depreciation fund of $41\frac{1}{2}$ crores. In other words, during this long period of varying fortune, we shall have earned a net income of over a crore a year after meeting working expenses, providing for accruing depreciation and paying interest in full on borrowed capital.

18. Our programme of works expenditure for 1935-36, though more extensive than in the last few years, is still far below the programmes of the pre-depression period. We are providing 15 crores of which $\frac{1}{2}$ crore is for new construction and 44 lakhs for the purchase of the Amritsar-Pattikaur Railway, a line 55 miles in length, which is owned by a private company and can be purchased, on remunerative terms, as from January next. On improvements of the open line, we expect to spend the balance of $14\frac{1}{2}$ crores. In order to meet the larger traffic expected, we are purchasing about 5,000 wagons, of which 4,250 will be general service wagons to be added to our pool. The total cost of these wagons is expected to be $2\frac{1}{2}$ crores.

19. Of new works, I need mention only a few. The construction of the Megna Bridge on the Assam Bengal Railway is a work of great importance as ensuring uninterrupted communication between Eastern Bengal and Assam. The extension of the electrified suburban section of the Bombay, Baroda and Central India Railway from Borivli to Virar will not only be of great convenience to the public, but is expected to be highly remunerative. There is a third project for which we are providing a small sum but which it has not yet been definitely decided to build, viz., the Karaikudi-Melur-Madura line in Southern India. It appears likely from a detailed examination to be sufficiently remunerative to warrant construction. It was, moreover, placed some time ago by the Madras Government high up on their list of recommended lines, but, before we come to a final decision, we propose to follow the procedure recommended by the Transport Advisory Committee and shall first refer the question of its construction to the Madras Government for their advice in consultation with the other interests concerned. In following this course, we hope to initiate the practice of friendly consultation between the authorities concerned with a view to the most economic development of communications in the best interests of the country as a whole for which the railways will always stand.

20. I have endeavoured to set out without embellishment the bare facts in regard to our financial position, but this somewhat cold recital gives no indication of the human effort which has gone to secure the result. I need not apologise for repeating an appeal I have made more than once for a fair assessment of the difficulties which Railway Administrations have to face and of the manner in which they have endeavoured to overcome them. It seems to me that no organisation, public or private, is brought into such close, such intimate and such continuing contact with the public as the Railway Department. It is, so to speak, continually and ceaselessly on its trial, literally every minute of the day and every day of the year. In these circumstances, it is not surprising that occasions should arise for legitimate criticism. The only consolation is that those occasions do not arise more often. I would ask the public sometimes to glance at the other side of the picture, at the organisation, the forethought, the unremitting care, the technical skill and the devotion to duty, on the part of the lowest to the highest official, which are essential if the railways of India are to meet effectively and efficiently the administrative and economic needs of the country. I should be guilty of ingratitude if I failed to acknowledge the work which all ranks of Railwaymen have done during a period of exceptional trial and the spirit in which they have met the heavy calls made upon their patience and endurance during the lean years through which we have passed. If I single out two names, viz., those of Sir Guthrie Russell, the Chief Commissioner, (Cheers) and Mr. P. R. Rau, the Financial Commissioner, (Cheers) to couple with a special expression of acknowledgment, it is because they have been in almost daily contact with me and I owe much to their unflinching courage, under the most depressing circumstances, their sound judgment and their extraordinary capacity for work. A personal tribute of this nature is, I think, permitted to an outgoing Member.

21. I would like to conclude with a reference to the future of Railways in India. There is an impression, I believe, that, entrenched behind a position which was one of considerable advantage, they resent all encroachment upon what they regard as their own peculiar sphere and refuse to advance with the times and use new and more effective weapons to meet attacks which modern developments have made possible. Whatever may have been the attitude of Railways in the past, I have no doubt that they are now fully

[Sir Joseph Bhore.]

alive to the need for a re-orientation of their administrative policy and methods. I have never ceased to lay emphasis on the necessity for this and have lost no opportunity of impressing it on those responsible for the administration of railways. A passage from my last address to the Railway Conference may be of interest and will at least be useful as helping to secure the emphasis which comes of iteration. It runs as follows :

"The competition which Railways are experiencing at the hands of rival means of transport has been engaging our very serious attention now for some time. It is not a passing phase. It is a permanent challenge which will grow in intensity and which will, I believe, be felt eventually in fields not yet seriously threatened. The projected developments in Civil Aviation in India are significant, and I would ask you to remember that the impossible of today is the commonplace of tomorrow. Scientific research may, quite conceivably and perhaps sooner than we imagine, cut down by a substantial margin today's operating costs of motor transport. Whatever may be the strictly narrow railway view of such competition, present and prospective, we must all admit that in the larger interests of the country it is good that it should exist, for only through such rivalry can the public be assured of the maximum efficiency in service at a minimum cost. Apart from everything else, such competition is inevitable, and there is only one sound method of meeting it. So long as Railways do not live in the past, so long as they endeavour strenuously to meet fully, efficiently and effectively the ever varying demands of the present and yet keep their eyes searchingly on the future and its possibilities, so long and no longer will they endure successfully."

If the ideal of Indian Railways is to secure the highest efficiency at the lowest cost, they will continue for many a long year to come to serve this country's needs as successfully as in the past. It has been my endeavour to keep that ideal before them. (Loud and Prolonged Applause.)

ELECTION OF MEMBERS TO THE GOVERNING BODY OF THE INDIAN RESEARCH FUND ASSOCIATION.

Mr. G. S. Bajpai (Secretary, Department of Education, Health and Lands): Sir, I move:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, two members to sit on the Governing Body of the Indian Research Fund Association."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, two members to sit on the Governing Body of the Indian Research Fund Association."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform Honourable Members that for the purpose of election of members to the Governing Body of the Indian Research Fund Association the Notice Office will be open to receive nominations up to 12 Noon on Wednesday, the 20th February, 1935, and that the election, if necessary, will be held on Friday, the 22nd February. The election, which will be conducted in accordance with the principle of proportional representation by means of the single transferable vote will, as usual, be held in the Secretary's Room between the hours of 10-30 A.M. and 1 P.M.

THE CODE OF CIVIL PROCEDURE (THIRD AMENDMENT)
BILL.

(AMENDMENT OF SECTION 60.)

The Honourable Sir Henry Craik (Home Member): Sir, I move for leave to introduce a Bill further to amend the Code of Civil Procedure, 1908 (Amendment of section (60) for certain purposes.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That leave be granted to introduce a Bill further to amend the Code of Civil Procedure, 1908 (Amendment of section 60), for certain purposes."

The motion was adopted.

The Honourable Sir Henry Craik: Sir, I introduce the Bill.

THE CODE OF CIVIL PROCEDURE (AMENDMENT) BILL.

(AMENDMENT OF SECTION 51.)

The Honourable Sir Henry Craik (Home Member): Sir, I move:

"That the Bill further to amend the Code of Civil Procedure, 1908 (*Amendment of section 51*), for certain purposes, be circulated for the purpose of eliciting opinion thereon."

Sir, the object of this Bill is one which I hope will command sympathy from every quarter of this House. To put it briefly, it is to save the honest debtor who is unable to pay from the indignity of imprisonment. It abolishes imprisonment for debt except in the case of the recalcitrant debtor, that is the debtor who is able but refuses to pay.

This particular Bill is the result of a recommendation of the Royal Commission on Labour. If Honourable Members will look at page 232 of the Report of that Commission, they will see the precise recommendation made. But, as a matter of fact, the underlying idea is one of much earlier growth. So long as 1886 the Government of India introduced a Bill with the same object as the Bill which I am now bringing before the House, but, at the time, neither Local Governments nor public opinion in the country generally were prepared to go quite as far as that: that is to say, public opinion generally was not in favour of the abolition of imprisonment except for recalcitrant prisoners, and though that Bill did become law in a modified form, it did not include any provision to that effect.

The position today is very much the same as it was left in by the legislation of 1886. Broadly speaking, the law lays down that the period of imprisonment must be limited, in the case of the smaller debts to six weeks and in the case of debts of over Rs. 50 to six months; that only male debtors can be imprisoned; and that the Court has power but is not compelled to give the debtor, before it orders imprisonment, a chance of showing cause against being imprisoned, and if he gets that chance of showing cause, and, if the Court is satisfied that he ought not to be

[Sir Henry Craik.]

imprisoned, the Court has discretion to disallow the application for his imprisonment. I think it is possibly right to say that the framers of the present provisions of the law hoped that the imprisonment of debtors would very rarely be enforced, because it would not, as an ordinary rule, be in the interests of the creditor to imprison his debtor, and, broadly speaking, it was hoped that the use of the power of imprisonment for debt would not be used in an unfair way or to the harassment of the debtor. If I am right in thinking that that was the hope of the framers of the law, I am afraid I am equally right in saying that their hope has been disappointed. The main reason probably is that the law does not make it compulsory on the Court to give the debtor an opportunity of showing cause why he should not be imprisoned. It is discretionary only with the Court and not compulsory, and in practice warrants for the arrest and detention of the debtor are frequently issued without his having any such opportunity of showing cause. Indeed they are often issued before any attempt is made to realize the debt from the debtor's property, as opposed to his person, or even to ascertain whether he has any property from which the debt could be realized. In fact, an application for the seizure and imprisonment of the debtor's person has become in certain provinces an almost ordinary feature of execution proceedings.

In support of that, I would like to quote a ruling of the High Court in my own province, a ruling which has excited considerable comment and which has shaped the attitude both of the High Court and of subordinate Courts in this very important matter since it was delivered in the year 1925. The ruling in question will be found in Volume VI of the Lahore series of the Indian Law Reports at page 548. The Chief Justice said:

"The statutory law leaves no doubt whatsoever that it is for the judgment-creditor to decide whether he should execute the decree for the payment of money by the arrest of the judgment-debtor or by the attachment and sale of his property or by both".

—and a little later on he observed:

"The Legislature has consequently provided for the execution of a decree for money by the arrest of the judgment-debtor, and there is neither justice nor equity in forcing the judgment-creditor to proceed against the property, a remedy which is not only dilatory but often proves infructuous, when he has the right of availing himself of any efficacious mode of recovering his lawful due."

And I would ask the House to listen to the remarks of the other Judge who was sitting on that Bench, who stated:

"In these circumstances, any tenderness towards the judgment-debtor on the part of the executing court is not only mis-placed but is entirely opposed to the law. Except in cases where the judgment-debtor has no property, I would go so far as to say that, far from being discouraged, the decree-holder should be encouraged to proceed both against the property and the person of his debtor simultaneously and the refusal of the executing court to grant both the reliefs at one time should be the exception and not the rule."

Now, Sir, that observation has given rise to a great deal of criticism which has frequently found expression in the debates of the Punjab Legislative Council. It has also been greatly criticised in the Press and elsewhere; and I am bound to say that, speaking with all respect to the High Court, it indicates an attitude which I for one find it extremely difficult to defend.

It is sometimes asserted that a creditor has no interest in securing the imprisonment of his debtor, because he has nothing to gain from that, while he has a chance of recovering his debt by the attachment of the property. But that view is not really borne out by experience, and it seems to me that it is much more common to find that the creditor has insisted on the imprisonment of his debtor either in the hope of evading the law which protects certain necessities of life from attachment, that is to say by putting such pressure on the debtor that, in order to obtain his release from prison, he parts with those necessities of life, or else, it is prompted by a desire to force the relations of the debtor, against whom of course the creditor has no moral or legal claim, to force the relations of the debtor to pay up in order to get their relative out of jail. And in some cases it is used, I think I am correct in saying, in order to gratify personal spite or malice. Some years ago the Madras Government directed an inquiry into this matter and they appointed to conduct that inquiry a very experienced judicial officer, now I think a Judge of the Madras High Court. He found that in most cases, where the debtor was imprisoned, the action of the creditor was inspired by one of these three reasons: that is to say, either to force the debtor to sell the necessities of life which under the law are exempt from attachment in order to meet the debt, or, secondly, to force his relatives to pay up to secure his release, or, thirdly, to gratify some private spite or malice. I myself have had opportunities, during my frequent inspections of jails, to question civil prisoners on this matter. In fact, whenever I found that there were civil prisoners in the jail which I was visiting I made it a rule to try to find out what were the circumstances in which they were imprisoned and I am satisfied—though of course I admit I only heard their side of the case—that in 90 cases out of 100 there was no question of recalcitrance or evasion but the men were genuinely unable to pay their debts. I think it will be agreed that when a man is genuinely unable to pay his debt, it is not equitable nor is it a proper principle that he should be imprisoned. The principle was stated by Sir Courtney Ilbert in the Statement of Objects and Reasons of the Debtors Bill of 1886, to which I referred in my opening words, and it may interest the House if I quote his statement of the principle which should in my opinion regulate these matters. Sir Courtney Ilbert's words were:

"The Courts ought not to give effect to any pledge by a debtor either of his person or of the bare necessities of life. The debtor ought not to be allowed by his own action, supplemented by the action of the Courts, either to deprive himself of his personal liberty or to reduce himself to starvation. If he cannot obtain credit except on one or other of these securities, it is better that he should not obtain credit at all."

Sir, I referred just now to the fact that the present Bill is the outcome of a recommendation of the Royal Commission on Labour.

1 P.M.

Actually, their recommendation was a somewhat narrow one and limited to persons engaged on industrial work. The present Bill goes further than that and its benefits will affect all classes of debtors, whether they are industrial workers or agriculturists or anything else. I should explain that the recommendation of the Royal Commission on Labour was so limited not because they thought that industrial workers were the only class which should be safe from imprisonment if they were genuinely unable to pay, but because the scope of their inquiry was limited to questions connected with or arising out of labour.

[Sir Henry Craik.]

Sir, the principle embodied in this Bill has been submitted in a general form for the consideration of Local Governments, of the public and of those who administer the law, and I think I may say that it has commanded a very large measure of approval. That approval is not, of course, universal. There are certain interests which are opposed to any relaxation of the law regarding debtors, but speaking generally I should say that the weight of public opinion is behind this Bill. It has also been discussed widely in the press and it is significant that papers of very varying shades of political opinion are agreed in giving general approval to the principles of the Bill. I might mention the names of the newspapers, the *Hindustan Times*, the *Civil and Military Gazette*, the *Hindu*, the *Star of India*, the *National Call*, the *Leader*, the *Pioneer*, *Capital*, the *Bombay Chronicle* and the *Tribune*. I think the House will agree that that is a collection of newspapers that are usually apt to differ very widely, but, on this subject, they are unanimous in approving the Bill.

It is desirable that this Bill, if it commands general approval from all quarters of the House, as I hope it will, should become law as soon as possible. I feel, however, that it will carry public opinion more definitely behind it if it is circulated in detailed form. So far only the principle underlying it has been circulated, but it should now be published in more detailed form for the careful consideration of the public generally and of those who have to administer the law. As this is a subject of considerable intricacy and importance, I think the House will be in a better position to deal with the Bill when they have the benefit of seeing the opinions of those who will be consulted.

Sir, I beg to move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill further to amend the Code of Civil Procedure, 1908 (*Amendment of section 51*), for certain purposes, be circulated for the purpose of eliciting opinion thereon."

Notice has been given of an amendment to this motion by Mr. K. L. Gauba. The Chair would like to know whether the Honourable Member wishes to move his amendment.

Mr. K. L. Gauba (East Central Punjab: Muhammadan): Sir, in view of the statement of the Honourable the Home Member that he proposes to proceed with the legislation as speedily as possible, I will not move the amendment, but I will support the Bill as soon as you will allow me to do so.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Bill further to amend the Code of Civil Procedure, 1908 (*Amendment of section 51*), for certain purposes, be circulated for the purpose of eliciting opinion thereon."

(Cries of "Ayes" and "Noes.")

The Chair thinks the "Ayes" have it?

Prof. N. G. Ranga (Guntur cum Nellore: Non-Muhammadan Rural): No, Sir.

Mr. N. M. Joshi (Nominated Non-Official): Sir, we did not follow the motion when you were putting it.

Mr. President (The Honourable Sir Abdur Rahim): Does the Honourable Member (Prof. N. G. Ranga) want to speak on the motion?

Prof. N. G. Ranga: Yes, Sir, I want to speak on the motion.

Mr. M. S. Aney (Berar Representative): When the question is put, no discussion is permitted and the question has already been put by the Chair.

Mr. President (The Honourable Sir Abdur Rahim): Prof. N. G. Ranga.

Prof. N. G. Ranga: Sir, from what the Honourable the Home Member has said in support of this Bill, I gather that the Government really are in no doubt at all about the possible support that this Bill might get for itself in this country. The Honourable Member himself has stated that he has satisfied himself that most of those people who had been committed to a civil debtors jail have been sent there because, of their genuine inability to pay. He also stated—and I am glad he has so stated that the general principle of this Bill has already been placed before the public and the public on the platform and in the press have expressed their whole-hearted support for this Bill. He has also made it perfectly clear that the various High Courts have been complaining that the original intention of the framers of the original clause making it possible for the Courts to send the debtors to the civil debtors jail has been frustrated, because, it has become almost a general practice that Courts send even honest debtors, civil debtors, to jails, merely because they have found themselves unable to pay their debts in time. In view of these things, I really cannot understand why the Honourable the Home Member is so very anxious to send this Bill for circulation. Whatever this Government try to do, they seem to be anxious to do it half-heartedly. Even when they want to do a good thing, they do not want to do it quickly or readily or whole-heartedly. This Bill has been very badly needed. This is a protection which has been clamoured for by the masses all over the country, and I must really congratulate the Honourable the Home Member for trying to be more liberal than the Labour Commission itself, having gone to the extent of bringing the agriculturists and the agricultural workers within the ambit of this Bill. Why should he be so anxious to send this Bill, this short and sensible Bill, this very necessary Bill and a very useful Bill for circulation? Is it because, Sir, that he is anxious somehow or other that he should not be blamed by some partisans of his own Province, the Punjab, that he is trying to advocate the cause of honest debtors, or is it because that newspapers like the *Daily Herald* of Lahore go on accusing him of trying to be partial to the debtors, or is it because that he is anxious to throw the whole blame on Local Governments, on the High Court Judges and on the Advocate Generals in the provinces that they themselves are in favour of it, and, therefore, he is not to blame if he is in favour of it and if it is placed on the Statute-book? I submit that the Honourable the Home Member does not do justice to himself or to this House by following this circuitous policy. I

[Prof. N. G. Ranga.]

am sure, the agricultural workers will be grateful to him as well as to the Government, though for all other reasons we are out to defeat this Government if not to destroy it. I am sure, the agricultural workers will show their gratitude if only the Government will take courage in both hands and ask the leave of the House to commit this Bill to a Select Committee. But the Home Member is not going to do that and that is why, I rise here to oppose this Bill *in toto*, with the hope that the Honourable the Home Member will see it fit to come forward again with his proposal that the Bill should be referred to a Select Committee.

In America, in Germany, and even in England, a moratorium was found necessary and a moratorium was declared in order that debtors might be helped and might be saved from ruinous actions of the creditors. In this country, we find the Government has not done anything at all. In this country several persons have been asking for timely action, yet the Government of India would not take action and the Honourable the Law Member was saying the other day, in answer to my question, that they had never given an assurance at all to agriculturists and that it was entirely a question for the Provincial Governments to be tackled with and so on. Yet, from the information he has supplied to me in answer to a question, it is clear that two or three Provincial Governments have tried to do their best to save these debtors from utter ruin, but that other Provincial Governments are groping in the dark and that they are really unwilling to do anything to save these agriculturists from their indebtedness. The Honourable the Home Member himself has admitted that he has seen large numbers of people, I mean, civil debtors in jails who were genuinely unable to pay. I can personally testify to the accuracy of the fact that not hundreds, but thousands of people have been committed to civil jail, not because these debtors are dishonest, not because they are unwilling to pay their debts, not because they want to defraud their creditors, but simply because they are not able to pay their debts.

I have already quoted the example of President Roosevelt of America and I will quote his example again for the edification of the Home Member, and I will say that President Roosevelt has been able to achieve wonders in the last three years and he has worked out a wonderful programme of work in that country known as NIRA, and by his system of reconstruction he has been able to help his peasants and agricultural workers, the industrialists as well as industrial workers, from ruin and yet our Government is saying, "we cannot do anything". But even when the Government of India think of doing a slight thing, as in the present Bill—I think there must be a sort of curse on this Government—even when they intend to do a good thing, they cannot do it whole-heartedly, merely because there is somewhere something wrong with this Government . . .

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): Then why does not the Honourable Member move an amendment himself?

Mr. President (The Honourable Sir Abdur Rahim): Does the Honourable Member wish to speak much longer?

Prof. N. G. Ranga: Yes, Sir, for five minutes more.

Mr. President (The Honourable Sir Abdur Rahim): Then, the House stands adjourned till Half Past Two.

The Assembly then Adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

Prof. N. G. Ranga: Sir, the Honourable the Home Member has made it perfectly clear that for one or the other of the three reasons which he has given, most of these creditors move the Courts to send many of these debtors to the civil debtors' jail. One of the reasons is personal spite. In ordinary circumstances it may be that quite an appreciable number of people are committed to the civil debtors' jail for this reason; but during the last three or four years, it is not for this reason mainly, but for the other reason that because the creditors have been anxious to collect in a frantic manner as much of their money advanced to the rural indebted peasants and others that they have resorted to these proceedings. And in their anxiety to realise their dues and to force the debtors to pay back their sums, they have not scrupled even to persuade the Courts to send hundreds and thousands of debtors to jail. When rural peasants and rural workers and even industrial workers borrow money from the creditors, it is not, I submit, with the intention of not paying these debts back and of not being honest or anything like that. They borrow money with the intention of paying it back with interest and, I submit, very often at a high rate of interest, ranging up to 50 per cent. in many cases. Yet, because of the economic depression, large numbers of them, thousands and lakhs, have become absolutely unable to pay back their dues. Their lands have become unproductive, and also unsaleable, the price of their produce has gone down very seriously, and in many cases they find themselves face to face with starvation and famine; and these people have been committed to jail. When they are sent to jail what is the satisfaction, and what are the feelings of these people? When we, civil resisters go to jail, we feel the satisfaction that we are serving the country and we also have a feeling that our compatriots in the country are admiring us for our sacrifices, and, therefore, we feel happy when we are in jail. But these poor rural workers and industrial workers when they go to jail have no such consolation. They feel that their creditors have dealt with them very badly, that they are their enemies, that they and their families are being looked down upon by the creditors as well as their neighbours. Suffering as they do, they would be up to any step in order to bring themselves out of these jails. Many of them have been obliged to present insolvency petitions in order to get out of these jails and many more of them have been obliged to persuade their families and relations to barter away their assets in order that they might come out of these jails. In these circumstances, I put this question to the House: Is it fair that we should allow these thousands of people who have been put into jail unjustly and unfairly by those who have really no legitimate case at all to put them into jail, to remain in the jails? I am sure that if this Bill were to be passed into an Act, very shortly, in a

[Prof. N. G. Ranga.]

month, in a few days or a few weeks, all these people will be able to come out of these jails and will be able to pay back their dues also. As the Honourable the Home Member himself admitted, most of them are really anxious to pay back their debts and yet they are unable to pay them back. Most of them have begged their money-lenders to give them some time so that they can pay back these debts but they would not give any time. They wanted time till the prices of their produce and their land rose but they were not given this time. Therefore, Sir, we should not refer this Bill to circulation and thus give these unreasonable, unjust and heartless creditors, a chance of keeping these people in jail for another five or six months. I should have very much liked to move an amendment to the effect that this Bill be referred to a Select Committee and not sent for circulation. But, unfortunately, I came to know only yesterday evening that the Honourable the Home Member was going to move that the Bill be circulated, and naturally I have not had sufficient time to give notice of my amendment. I, therefore, suggest to the House that if it is so minded, it can request you to give leave and make it possible for the Home Member to withdraw this Bill and to bring it back very soon with the suggestion that it should be sent to a Select Committee, or at least, even now to change his motion in such a manner that instead of sending it for circulation it may be sent to a Select Committee. And I appeal to you also, Sir, that in view of the urgency of this matter and in view of the sufferings of all these people who are put in jail, unjustly and unfairly, you should try to see whether you should not waive the usual standing order and give a chance to this House to send this Bill to a Select Committee and get it passed into an Act as soon as possible. If neither of these two courses is possible, I would humbly suggest to this House and also to the Honourable the Home Member that he should try to expedite this unwanted circulation as much as possible and get it back in as few weeks as possible so that at least when the House meets next time it may have an opportunity of passing this into an Act. With these remarks, I submit for the consideration of this House that this Bill is a good one but it does not go far enough and the procedure proposed to be adopted by the Home Member is really not advisable and is not in the best interests of the masses of this country. This Bill should be adopted by the people while the procedure proposed by the Home Member should not be adopted.

Captain Rao Bahadur Chaudhri Lal Chand (Nominated Non-Official):

Sir, I congratulate the Honourable the Home Member on having brought out this Bill, after it had been proposed several years ago by the Royal Commission on Labour. We all know that he is a great friend of the poor generally and of the agriculturists in particular, and enjoys the confidence and respect of all classes. I am glad that it should have fallen to his lot to help the agriculturists and the poor debtor here within such a short period of his having assumed charge of his responsible office. But while congratulating the Honourable the Home Member, I cannot help paying a tribute to the attitude that has been taken by the Opposition in this House.

Mr. N. M. Joshi: What else did you expect?

Captain Rao Bahadur Ohaudhri Lal Ohand: I expected the old story. The Honourable Prof. Ranga in his speech has made it clear that they all stand for the poor and for the agriculturist and that their professions are no empty words. They have made a very good gesture. I may point out to him and to his Party that there was a suspicion in some quarters, when we saw so many capitalists and people belonging to the money-lending classes in that Group, that we may not get that amount of whole-hearted support from the Congress Group; but I am glad they have really given proof of the fact that they mean business this time. . . .

An Honourable Member: Business always.

Munshi Iswar Saran (Benares and Gorakhpur Divisions; Non-Muhammadan Rural): Will you join us now?

Mr. M. S. Aney: The Honourable Member is dreaming, not speaking.

Captain Rao Bahadur Ohaudhri Lal Ohand: I want you to wake up. Sir, perhaps no Bill will command such unanimity from all sides of the House and such a large measure of co-operation as this one will and my only complaint against the Government is that they have come after a great deal of mischief has been done during the last five years of depression. Any number of people who are really unable to pay their debts and are honest debtors are rotting in jails at the present moment; and, as has been pointed out by Prof. Ranga, efforts should be made to expedite this Bill, and, if possible, formality should not stand in the way of its being expedited.

Why are debtors sent to jail? They are generally sent to jail in order to bring pressure upon their relatives and friends. I have a fairly long experience of my practice at the bar, and I can quote any number of instances of people who have been sent to jail, not because they were unwilling to pay their debts; but simply because they were unable to pay their debts. They had no property, and, therefore, this was an effort on the part of the decree-holders to get money out of their relatives and friends, which is a most coercive measure and the sooner it is stopped the better.

An Honourable Member: Why do they not pay?

Captain Rao Bahadur Ohaudhri Lal Ohand: Why did you lend? People should lend with open eyes. It is for the lender and not for the borrower to see that the man is in a sound position, and, if afterwards it appears that the man is not sound, it is he who should suffer and not the borrower. You are trying to get money, as we say, out of his skin; it is the skin of that man that is being extracted if you send him to jail.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Have you ever been a creditor?

Captain Rao Bahadur Ohaudhri Lal Ohand: Thank God, I am not in that position. I will give you an example to show how they work. (Interruption.) Please wait. As I said just now, I could quote many examples, but only one will suffice to convince this Honourable House as to how things are being worked in my unfortunate province. There was an agriculturist, about 75 years old, and a suit was brought against him for Rs. 3,000. As after his death the money could not be recovered

[Captain Rao Bahadur Chaudhri Lal Chand.]
 and his sons could not be sent to jail, because there could be no personal liability, therefore the son was also implicated along with him. The real borrower was very old; and a decree for Rs. 3,000 was passed against him and his son. After one or two processes in execution, both the son and the father were brought before the Court, and what does the man say? This old man says: "I possess 150 bighas of land out of which 40 bighas is under mortgage. I possess no other property. I cannot pay even the land revenue. Out of my land, whatever amount you wish to leave for my subsistence, that may be left out, and the whole of the rest may be given over to the decree-holder." Now, what does the decree-holder say? He says: "I am not prepared to take his lands for twenty years (*as is the law in my province*). This offer was made by the judgment-debtor even at his house. He has three houses: out of those three he was prepared to give me two in addition to the land: but I do not wish to take any of these things. I want hard cash." This is the statement that the creditor gave in Court, and the method he suggested was that if the judgment-debtor wanted really to satisfy his decree, he should sell all his property including land and then pay hard cash. This old man of 70 was prepared to part with his land and with two out of his three houses, when he possessed nothing else; but the learned Judge wrote: "Even if he cannot sell the land for want of buyers, which I have some hesitation to believe, he cannot be said to be a poor man, and, therefore, he must be sent to jail." Sir, both the son and father were sent to jail. . . .

Sir Cawasji Jehangir: What happened to the houses?

Captain Rao Bahadur Chaudhri Lal Chand: They were not attached: the decree-holder would not accept them: he would not accept anything except hard cash. The man was sent to jail for six months, and, six or seven days after his release, he died—probably he was brought out of jail, because he had fallen ill there. This is one case and there are any number of cases like that. This man could apply to be declared an insolvent and he would have been saved. He would not have been sent to jail. His land and his houses would have been saved. Even his cattle would have been saved as under section 60, all the exemptions would have been allowed; but he was an honest man and was prepared to pay and to accommodate him to the extent of giving him two out of the three houses. But this man would not accept, and the judge held that he was not a poor man, and, simply because of that, he was sent to jail.

Now, Sir, the Honourable the Home Member has quoted one ruling from the judgment of our High Court. Very few cases of this type go to the High Court, because poor people cannot go there and most of this mischief is being done in the lower Courts. Now, Sir, so long as the recruitment is made from the classes which do money-lending business, it is impossible for this Legislature to enforce its will upon these Courts. This is not all. As has been pointed out by Prof. Ranga, it is a half-hearted measure and discretion has been left to the Courts. My fears are that discretion will always be exercised in favour of the decree-holder. Now, Sir, to give an idea of the manner in which recruitment is made to the Judicial Department, I have in my hand a consolidated statement showing the proportionate representation of various communities serving in the departments of the Punjab Government as it stood on the 1st January, 1934. In the Executive Branch we have got,—I am taking the case of Hindus only,—we have got. . . .

Mr. President (The Honourable Sir Abdur Rahim): What bearing has it got on the question under discussion?

Captain Rao Bahadur Chaudhri Lal Chand: I am showing that the discretion left to the Courts by sub-clause (b) will always be exercised in favour of the decree-holder, because the people who have been recruited from their ranks will always side with them.

Mr. President (The Honourable Sir Abdur Rahim): Order, order. The Chair cannot allow reflection on the Judges.

Captain Rao Bahadur Chaudhri Lal Chand: Very well, Sir; then my submission is that no discretion should be left to these Courts, and that Government should come forward with a proposal that civil imprisonment shall not be awarded in lieu of money decrees, and that that alone will satisfy this House, and not these half-hearted measures which have been brought in this House, six or seven long years after the Royal Commission made their recommendations. If Government want to make a gesture to the poor agriculturist, they should come forward whole-heartedly, and not with this sort of half-hearted measure by which they give discretion to people who belong to the monied classes. Sir, blood is thicker than water, and, therefore, my submission is, that they will always follow the lead given in the ruling that has been so ably quoted by the Honourable the Home Member. I hope the Honourable the Home Member will agree with Prof. Ranga's suggestions, that everything will be done to expedite the passage of this Bill, and that when the Bill reaches the Committee stage, he will agree to the discretionary power of the Courts being taken away, and a mandate being given by this House that in future there will be no civil imprisonment in lieu of a money decree. With these few words, Sir, I support this motion.

Mr. Fakir Chand (Jullundur Division: Non-Muhammadian): Sir, I rise to speak against the motions of my friend, Mr. Ranga Iyer, as well as of my friend. . . .

Prof. N. G. Ranga: Sir, I am not Ranga Iyer.

Mr. Fakir Chand: I am sorry for the mistake. (Laughter.)

I rise to oppose the suggestion of Prof. Ranga that the Bill be not circulated. I have also to oppose the motion of my friend, Rao Bahadur Chaudhri Lal Chand, who, as a matter of fact, applied the principle of *caveat emptor* to borrowers, although my friend has been a lawyer all his life. But so have I been,—I never heard of the principle of *caveat emptor* being applied to borrowers who raise money on their personal credit today and refuse to pay it the next day. Well, so far as the Honourable the Home Member is concerned, I am afraid I cannot congratulate him on bringing forward this motion. So far as this Bill is concerned, if he had merely confined it to certain classes of labour as recommended by the Royal Commission, it would have been quite all right, but the Honourable Member makes no distinction between class and class. All classes of debtors, whether they reside in cities or in towns, whether they ride in motor cars every day. . . .

An Honourable Member: He is equally an honest debtor.

Mr. Lalchand Navalrai: I asked Rao Bahadur Lal Chand if he had been an honest creditor.

Mr. Fakir Chand: Sir, I appeal to the Honourable the Home Member to withdraw this Bill for two reasons. First of all, in the Civil Procedure Code, we have a provision to the effect that it is the inherent right of a creditor to realise money by civil imprisonment. That is an inherent right. That is a right which the Legislature has given, and now you are taking away that right. We had the Civil Procedure Code of 1882, we had also the Civil Procedure Code of 1908, which gave that right, and now by one stroke of the pen, that right is proposed to be taken away. Sir, I submit, to make it applicable to all classes is against all canons of justice. So far as honest debtors are concerned, there is a provision in the Civil Procedure Code, Order XXI, Rule 40, which says this:

"Where a judgment-debtor appears before the Court in obedience to a notice issued under rule 37, or is brought before the Court after being arrested in execution of a decree for the payment of money, and it appears to the Court that the judgment-debtor is unable from poverty or other sufficient cause to pay the amount of the decree or, if that amount is payable by instalment thereof, the Court may, upon such terms (if any) as it thinks fit, make an order disallowing the application for his arrest and detention, or directing his release, as the case may be."

But unfortunately this Bill presumes that every debtor who does not pay is presumed to be an honest debtor, and, therefore, the burden lies upon the creditor to prove that as a matter of fact the debtor has been recalcitrant or dishonest. This is turning the tables upon the creditors who, as a matter of fact, advanced money to debtors under the old law under which it was quite legitimate for a creditor to ask for repayment and enforce realisation by civil imprisonment. Therefore, the House will realise how unjust this measure is, and if Honourable Members will refer to the *Explanation* of clause 2, that makes the position all the worse. There is an *Explanation* at the end of clause 2 which says:

"In the calculation of the means of the judgment-debtor for the purposes of clause (b), there shall be left out of account any property which, by or under any law for the time being in force, is exempt from sale in execution of the decree."

It comes to this. Suppose a debtor owns 50 acres of land and he owes Rs. 5,000. His yearly income from the land amounts to Rs. 5,000 and he owes only a debt of Rs. 5,000, but for the last three years he has not paid a single farthing. Will it be fair and just for any Court to say: "Let us pay no regard whatever to the amount of land he holds and to his income"? Sir, this will encourage dishonesty and fraud which, I submit, is not at all justified. My learned friends, Prof. Ranga and Rao Bahadur Lal Chand, were speaking to a House which they thought was not conversant with the position of debtors. In fact, that very ruling which the Honourable the Home Member quoted was delivered by two very senior-most Judges of the High Court of the Punjab, Mr. Justice Shadilal and Justice De Rossignol. They were very experienced Judges, and they remarked that the difficulties of a decree-holder only begin when the creditor takes out execution. First of all, the creditor has to pay the Court-fee stamp for his plaint, he has to engage lawyers, and to pay every official of the Court in order to have his case brought on to the ready list. That is, fortunately, a thing of the past, because the present learned Chief Justice of the Lahore High Court has taken stringent steps to prevent corruption.

Captain Rao Bahadur Chaudhri Lal Chand: Then why indulge in a profession which is so little paying and full of difficulties?

Mr. Fakir Chand: In order only to realise professional fees from my agricultural friends, who otherwise would not pay anything.
 3 P.M. So far as that ruling goes, I submit very strongly that it depicts the condition of the creditors and of the debtors, and the ruling says that the difficulties of the creditor only begin when he begins to realise his decree. For that reason, their Lordships held that it was perfectly legitimate for a creditor to try to realise his money by attachment as well as by imprisonment. As a matter of fact, they ruled that the Court should rather lean towards granting the prayer of the creditor in order to realise his money. Now, by means of this Bill, you take away that one remedy absolutely, because if you once issue a notice to the judgment-debtor to show cause why he should not be committed to prison, that notice will be a notice to him to abscond. That happens every day. There are certain classes of debtors whom you can never get hold of, and a notice to show cause is always a notice to abscond. That remedy is gone, and so far as the other remedy of bringing property to sale, that is forbidden by the Punjab Alienation Act and by the Punjab Agriculturists' Relief of Indebtedness Bill which was passed by the Punjab Council with certain amendments and which is awaiting the sanction of the Governor General. If that Bill comes into law, that will mean the wiping off of all the old debts, whether secured or unsecured debts, because whenever a debtor is called upon to pay money, he will make an application to the Court. The Court will appoint a Conciliation Board who may absolutely disallow the payment of any money in their discretion. This Conciliation Board will sit upon the judgments of the judicial officers and they may declare that nothing is payable. So that, so far as the Punjab is concerned, the old debts due from the agriculturists will be entirely wiped off. Now, the Honourable the Home Member wishes to make it more difficult for creditors to realise their money not only from agricultural debtors but from those who are not agricultural debtors. What justification is there for enacting this Bill? Where is the urgency of this Bill? When a debtor borrows money, is he not under an obligation to repay?

(Interruption by Prof. Ranga.)

Mr. President (The Honourable Sir Abdur Rahim): Order, order. The Honourable Member should be allowed to continue his speech without interruption.

Mr. Fakir Chand: Therefore, if a debtor does not pay after having had several opportunities to pay, he must be presumed to be dishonest. It is a very sacred obligation. If you borrow money, you must repay it as soon as possible, and if you fail, the creditor has the only remedy to bring a suit and to have the property attached and the debtor imprisoned. After all, is it so very easy to bring a man to civil prison? The creditor has to pay the subsistence money first. Before the debtor is sent to prison, the creditor is under an obligation to pay the subsistence allowance which the Court may deem reasonable, so that, far from realising his own money, he has, in the first instance, to deposit some money to feed the debtor so long as he is in prison. So that, you can realise the nature of the difficulties that the creditors are under, especially in my part of the country. My Honourable friend, Rao Bahadur Chaudhri Lal

[Mr. Fakir Chand.]

Chand, gave one single instance. I do not say that there are not genuine instances. But is that the rule, or rather is it not the exception, because I know all these cases happening every day. I know there are people who, owning twenty acres of land, still have applied for insolvency, and there is a provision in the Provincial Insolvency Act which says that a debtor can only be adjudged insolvent if he is unable to pay. Now, he has to prove that he is unable to pay, and there is a ruling of the Punjab High Court to the effect that in considering whether he is able to pay you may take all his means into consideration. If he has got lands, you can certainly take that into consideration, because a man may have lands which he can sell but he won't sell; although he may be exempt from compulsory sale, yet if he has got lands and income to pay back the debt and still does not pay the debt, that ability to pay will be taken into consideration. But, according to the present Bill, *Explanation* 2, his ability to pay will not be taken into consideration simply because he holds lands which are exempt from sale. So that, this provision in the Bill is very drastic, and my learned friends, who are trying to rush this measure through, must realise that it affects a considerable body of persons. So far as we in the Punjab are concerned, we find that the old debts are wiped off, but according to this Bill all the debtors will be practically immune from civil imprisonment. Although it is said that, if the creditor can show that the debtor is a dishonest one, he is liable to imprisonment, yet in practical working the effect will be this, that the Court will presume that the man is honest. The old rule was that if a debtor did not pay, surely he was dishonest. If a man did not fulfil his obligation, he must surely be presumed to be dishonest, but he may show that he was unable from poverty or otherwise to pay back the money and then the Court disallows his arrest or imprisonment. That rule is already there, and why make this new rule? I submit, with great respect to the Honourable the Home Member, that this Bill should be withdrawn, or at any rate, it must be circulated for opinion at least.

Ident.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, while supporting this Bill, I would like to deal with it more as a layman than as a lawyer—the profession of the last speaker. My complaint against this Bill is that it does not go far enough. Not a single Member on the Government Front Benches will deny that one of the greatest curses of Government servants today—I am talking mainly of both lower and upper subordinates and some of the officers staff—is that they are steeped in debt. The ease with which money can be obtained from a certain class of money-lenders and the ease with which those money-lenders can, in the Law Courts, get back their money is a positive scandal. I have no desire to commercialise dishonesty in what I am about to say and in saying so to cause a laugh from my friend the Deputy Leader of the Opposition. The point I want to emphasise is this. The Royal Commission on Labour which visited this country was very emphatic on this matter—I had the pleasure of serving on that Commission and I had the pleasure of discussing this very point of indebtedness and its cure with the Chairman of that Commission, the late Honourable Mr. Whitley. He informed me that he had left with the Government of India two clauses of a Bill that he suggested should be brought before this House. The gist of those clauses was that no pay of any Government servant should be attached by the Courts. When he first said this to me, I was amazed; and considered

that it amounted to commercialising dishonesty, but he disabused my mind of that view by telling me, "If you wish to get rid of the root cause of this debt trouble, don't allow any money-lender the ease and facility with which he can today get his money back by going to a law Court; i.e., don't attach salaries". Therefore, I submit, this Bill should have gone further. I am not talking of the case of landholders, because they come under a different category

The Honourable Sir Frank Noyce (Member for Industries and Labour): May I ask on what Bill the Honourable Member is speaking? This Bill does not deal with attachment of salaries.

Lieut.-Colonel Sir Henry Gidney: The agricultural part of the Bill I am not going to discuss at all, because I leave that to experts. I am simply talking about that part of the Bill which deals with the attachment of a man's property or salary

The Honourable Sir Frank Noyce: That is not the Bill we are discussing. This Bill deals with imprisonment for debt.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) vacated the Chair which was then occupied by Mr. Deputy President (Mr. Akhil Chandra Datta).]

Lieut.-Colonel Sir Henry Gidney: You should not allow or encourage by legislation the money-lender a chance of getting his client into prison.

Mr. N. M. Joshi: I rise to support the objects underlying the Bill moved by the Honourable the Home Member. Like my Honourable friend, Prof. Ranga, I would have liked the Honourable the Home Member to make a motion for the Select Committee. The proposals of the Royal Commission on this subject were circulated to the Provincial Governments and to the organisations interested in the objects of the Bill. The Government of India are in possession of the opinions of the interests concerned.

Sir Cowasji Jehangir: Is that a fact—that the Bill has been circulated?

Mr. N. M. Joshi: I do not say that the Bill was circulated. I think the proposals of the Royal Commission on this subject were circulated to Provincial Governments as well as to the bodies concerned with these proposals.

Mr. B. Das (Orissa Division: Non-Muhammadan): But not with this wide application.

Mr. N. M. Joshi: I feel that it would have been much better if the motion had been made for referring the Bill to a Select Committee.

Mr. M. S. Aney: May I ask the Honourable Member whether it is not a fact that the proposals were confined to industrial debtors?

Mr. N. M. Joshi: The Royal Commission was appointed to investigate the conditions of the industrial workers and their proposals were naturally confined to industrial workers, but if the Royal Commission had been investigating the condition of all workers, they would have certainly made a

[Mr. N. M. Joshi.]

recommendation as regards all workers. When the Royal Commission made their investigation, they found that one of the greatest obstacles in the way of an industrial worker was his indebtedness. Not less than two-thirds of the workers were indebted. They found that the average indebtedness amounted to at least three months wages. They found that the rate of interest carried generally from 25 to 150 per cent. and in many cases to 300 per cent. and they came to the conclusion, Mr. Deputy President, that this indebtedness was due to the borrowing capacity of the working classes which is generally known by the respectable and dignified word "credit", and they, therefore, suggested that if the evil of indebtedness is to be uprooted, the right remedy was to reduce the borrowing capacity of the working classes. At present the borrowing capacity of the working classes is supported by the facilities offered by the law for the recovery of the debt. The law permits the attachment of wages and salaries and property. It permits imprisonment and gives other facilities for the recovery of debt. Therefore, in order that the borrowing capacity of the working classes should be reduced, they made certain proposals. One of the proposals was that imprisonment for debt should be abolished. I feel that the business of usury, although under a capitalistic system is regarded as a respectable business, is a bad business. I think, Sir, it was Aristotle who said that it is unnatural that money should beget money. He was quite right and we should not encourage this business which at any rate is not a good business. Under the capitalist system, as I said, the Government have offered facilities for the easy recovery of money. One of the facilities was imprisonment. It is wrong that any man should mortgage his personal freedom for the sake of borrowing money. We condemn slavery, and I feel that if a man places his personal freedom under a mortgage for the sake of getting money, it is a form of slavery and we should not tolerate such a practice under any circumstances. I am, therefore, totally against the Legislature sanctioning the penalty of imprisonment for the debtors under any circumstances.

The Honourable Sir Henry Craik: Even dishonest debtors?

Mr. N. M. Joshi: I am coming to the dishonest debtors. In principle I am against the Legislature sanctioning the punishment of imprisonment. If there are dishonest debtors, the law should provide for remedies, either for attaching their property or whatever other possession they may have, but certainly to deprive a man of his personal freedom for the sake of money is wrong in my judgment. It is on that ground of morality that I support the proposal. I make the proposal that the punishment of imprisonment should be done away with altogether for the offence of failure to pay one's debts. I realise that the Royal Commission did not go as far as I am going. The Royal Commission's terms of reference were restricted and moreover they made recommendations which they thought were practicable under the circumstances. I do not think the Royal Commission discussed the principles underlying this measure. As far as the Bill is concerned, I think the Bill, although the Government of India need not have accepted my principle, could have gone a little further. The Government of India ought to have restricted the imprisonment for failure to pay one's debt only to those cases where a man is trying to run away, abscond or is trying to commit some fraud in order to escape the payment of his debts. It is wrong to put a man in jail, because he fails to pay his

debts and the Court holds that he has some means—land or houses to pay his debts. If a man has property and if according to law that property could be attached, I shall certainly not stand in the way of the property being attached, but when there is a remedy open to a man to recover his debts by attaching the property, why should the Legislature give power to that man to put a man in jail? The Government by proposing clause 2 (b) is putting two remedies in the hands of the creditor. It certainly enables the creditor to choose either the imprisonment or the attachment of property. I would like the Government of India to take away that clause, so that the judgment-debtor, if he has property, will pay his debt out of the property and not by the deprivation of his personal freedom. The Royal Commission on Indian Labour, besides recommending the proposals which are contained in this Bill, had made several other proposals in order to relieve the working classes of their indebtedness. I would like the Government of India to tell me what they propose to do with those other proposals. I was very glad to see that they introduced a Bill this morning regarding the attachment of wages and salaries. The Royal Commission had recommended that the Government of India should take steps to provide some kind of summary procedure for the settlement of the debts of the working classes. They also recommended that the law of limitation, so far as the working classes were concerned, should be changed and that the debts should be barred after two years. Then they made certain proposals as regards the relief of the indebtedness of the working classes. Now, I would like the Government of India to tell me what they propose to do as regards those proposals. Sir, I support the objects of this Bill, and I hope the Government of India will try to expedite the passing of this measure.

Mr. Lalchand Navalrai: Sir, the motion before us now is that this Bill should be sent out for circulation in order to elicit opinions on it. I think at this stage we should restrict ourselves to that alone. I am in full agreement with the Honourable the Home Member that this Bill should be sent for circulation. Sir, it appears to me that this Bill is not such a simple thing (as some of the people think, or as those that are prejudiced against the creditors may think) as that it should be passed in a hurry. This Bill should not be hustled through at all, because there will always be difference between people's views on this point. (Interruption by Captain Rao Bahadur Chaudhri Lal Chand.) I am not giving way. Well, there will always be difference of opinion between a Nominated Member and an elected one, though our names are similar. (Laughter.) What I mean to say is this. The Honourable Member should have patience to hear whether I am going to agree with him on some of the points or not. Anyway, my point at present is that this involves the question not only of debtors, but of creditors as well. The question has two sides. There is the question of the creditor who has actually paid, honestly paid money which honestly belonged to him. He has given it and he has only given it with a view that he should not lose it and he has an inherent right that he must be paid back. Now, it cannot possibly be said that the debtors are always honest and that they do not pay, because they have no money. In my own experience as an advocate, I have seen cases where people do not pay, but as soon as they are sent to jail, they pay it up. (Laughter.) Now, wherefrom do they pay? Therefore, what I would say is that I do not hold a brief for any creditor, nor do I hold a brief for a debtor. I am not against the debtor's interests. I should not be understood as saying

[Mr. Lalchand Navalrai.]

that the debtor should not get the remedies which really belong to him. But I do at the same time say that you should be fair to both of them. Consider the question remembering that the man who has paid the money must get it back, and, on the other side, if there is an usurer, a man who is going to act like a Shylock, then no doubt in that case you must give the debtor his remedy.

Prof. N. G. Ranga: Most of the creditors are acting as Shylocks.

Mr. Lalchand Navalrai: Well, that is from the Honourable Member's point of view, and I say that his presentation of the case was entirely one-sided. If he had put both sides of the case fairly, I would have respected his view. At present, do realize what is the situation which we are at now. We are only asking that on this Bill public opinion should be gathered. Now, there are persons here who in their enthusiasm for the debtors are going forward to say that imprisonment should in all cases be stopped, and on the other hand there are persons who have in their mind the interests of the creditor as well. That being the position, on that ground of fairness, why should not this Bill be sent for circulation? Opinions will come and those opinions will be considered by this House, and if it is of opinion that this Bill, as it stands, should be passed, then let it be passed, but if certain amendments are sent in on certain phases of this Bill after the receipt of opinions, then those amendments will be considered, so there is no cause for the Bill being hustled through.

Now, Sir, I have respect for Prof. Ranga's enthusiasm on this question, but what I submit is this. His reasons are not appealing, at least to me. The first reason he gave was that because the Royal Commission on Labour has decided something or has given some opinion, therefore no eliciting of public opinion is necessary at this time. Will my friend read that? Even the Statement of Objects and Reasons shows that that was only an exclusive suggestion, that is, an opinion was given with regard to protecting honest debtors, not of all classes, but only those who were in receipt of wages of less than Rs. 100. Now, will it be said, because the opinion of the Labour Commission was that there should be some relief given to a particular class, that we should go the whole hog and grant wholesale relief to all debtors? I ask now if that reason could be taken as a real or substantial objection that this Bill should not go forward for eliciting public opinion?

Then, take the second point. The Honourable the Home Member, who very honestly put his opinion before the House, has been cited as having testimony on the point. The Honourable the Home Member visited certain jails, as he said, and there he saw and examined some debtors in jail, and he began asking them some questions and at that time he formed the opinion that those persons were not able to pay. (Interruption.) I do not want to give way. But the Honourable Member did not hear the other side on that point and did not even find out from those cases as to how they were sent to jail and what were the reasons of the Judges. Therefore, what I say is that while his opinion is honest, it may be open to correction at any time. Now, when he sees the opinions now sought to be elicited, he might change his original opinion and he might say: "well the whole case had not been put before me".

Then, the third reason that has been given is by the quotation of certain Press opinions. I was very glad that the Honourable the Home Member, in other words, the Government, are now paying some respect to the opinions of the Press and what the Press have said is being quoted now in support of their case. But may I ask him, where were the Government when the Press said that on the Indo-British Agreement the commercial and industrial people had not been consulted and that they should be consulted? Did they come forward then and say: "Well, that is right, the Press is the public opinion"? I do not see the Honourable the Commerce Member in his seat now, but I would like to put it to him that if such is the opinion of the Government of India so that they have really changed their view in the light of the Press comments, the Honourable the Commerce Member should take a leaf out of the book of the Honourable the Home Member, and he should in all such questions consult the Press opinion. However, what I mean to say is that that is no reason, because the Press may still give you more opinions and give you both sides of the case, and I say you should, therefore, circulate this measure.

Then, as regards the Bill itself, it has a very salutary provision, there is no doubt, that notice should be given; and even at present in my experience, I have seen very rare cases where they do not give such notice. However, sometimes debtors might come forward and say that the Courts have not actually been giving notice, although that might be in rare cases, and here we can find that out from the opinions to be elicited. Therefore, as regards notice also the point requires to be cleared up.

Then, coming to the merits of the Bill itself, I would not go into them at this stage. There will be time for that when these questions are elicited. Both sides have to be put and each objection can be brought in by way of amendment. But I wish to say at present that I feel in my own mind that the provisions as they stand at present do not give to the Court all materials, one way or the other, for determination. There may be reasons other than those that are mentioned in clauses 2 (a) (1) (2) and (b) for consideration. In other words, what I mean to say is that the giving of no discretion to the Court and restricting the Court to particular points may be on many occasions even detrimental to the debtor himself. Therefore, the giving of more discretion to the Court will be a better-considered provision of the Bill than to put it in a restricted form. However, I do not wish to say much on this point just now, but, in my opinion, it will be only fair to see that this Bill goes for public opinion. In the end, I must say that I am not one of those who wish that this Bill should not be passed in one way or the other. I certainly endorse the view of my learned friend, Prof. Ranga, that public opinion should be elicited quickly, and I do not think that even the Honourable the Home Member who has actually brought this Bill would suffer in dealing with this Bill. Sir, with these reasons, I do agree that this Bill be circulated to elicit public opinion on it.

Mr. K. L. Gauba: Mr. Deputy President, I have a great deal of sympathy for Mr. Fakir Chand and Diwan Lalchand Navalrai, and I perfectly agree that a creditor, who has advanced money to a borrower, is entitled to his money back. He is entitled also to a fair return of his money, but that is not to assume that he is also entitled to a pound of flesh, his debtor's liberty or his debtor's reputation. We know that under the Code of Civil Procedure, various discretions are vested in the Court, which can issue

[Mr. K. L. Gauba.]

notices and in certain cases to act otherwise. We also know what the practice of the Courts has been—the discretions which were vested in the Court have been exercised and almost invariably exercised in the interests of the creditor as against the debtor.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

The judgment of the Lahore High Court practically makes it binding on the Punjab subordinate Courts almost invariably not to exercise the discretion which has been vested under law in them.

This Bill, Sir, does not abolish imprisonment. On the other hand, this Bill maintains imprisonment for debt. All that it says is that in certain cases where notices can issue they should issue. That is all. The discretion which is vested in the Courts under Order 21, rule 87, should ordinarily be exercised by the Courts, unless there are special or explicit reasons to the contrary. That, Sir, is very mild legislation. After all, a debtor might have a tremendous amount of property behind him: his property might be locked up: he may have houses: he may have land but he may not have liquid cash resources. Therefore, if the creditor wants his money, he can have his money by the sale of the property. The creditor wants his money: he does not want the life and blood and the liberty of his debtor.

I might say here that the Honourable the Home Member referred to this legislation as having started in 1886. Sir, this legislation or this course of legislation was really started when Portia decided that a creditor was not entitled to a pound of flesh but was entitled to his money back with interest. I hope that the 50 years that have elapsed since 1886 will not be taken again before the next stage of this Bill is brought about. The next stage, at the same rate of calculation, would take us to the year of grace 1985.

Sir, I would like to refer only to one or two other matters. My friends who insist on circulation really want it for the purpose of postponing the measure and not for eliciting public opinion. Public opinion has already been expressed on this question and the Press has written *ad infinitum*. In the Punjab, for instance, this question has been debated over a course of a whole year. Columns and columns of the Legislative Council debates have been printed and eventually the Punjab Legislative Council agreed to drop certain clauses, which were parallel to this, on the assurance given by Mr. Boyd on the 26th October of last year that the Government of India were introducing a measure on the same lines, which would apply to the whole of India.

The Honourable Sir Henry Craik: The Honourable Member is incorrect in his facts.

Mr. K. L. Gauba: I have got a copy of the Punjab Legislative Council debates of the 26th October, 1934.

The Honourable Sir Henry Craik: That Bill has now been passed and that section has been re-inserted and is now part of the Act.

Mr. K. L. Gauba: I am referring to those clauses which relate to debtors of all classes and not merely to agricultural classes. Mr. Boyd's assurance is given on page 668. He said:

"I must make one other explanation and it is this. The Government themselves embodied in the original Bill a clause mitigating the severity of the present law with regard to imprisonment for debt. That clause has been amended in the select committee. Logically Government might be expected to go forward and to support the new clause which goes to abolish imprisonment for debt. But we have been informed by the Government of India that it is their intention to introduce legislation as early as possible with the object of amending and mitigating the law upon this very subject, and they desire that we should not proceed with our own provincial legislation upon the subject."

The Honourable Sir Henry Craik: I do not want to interrupt the Honourable Member, but I think he is wrong in his facts. The clause was withdrawn on Mr. Boyd's assurance but it was re-inserted in the Punjab Bill afterwards by the Select Committee. It actually formed part of the Bill as passed and it now applies to all judgment-debtors. It is actually the law in the Punjab now.

Mr. K. L. Gauba: I will accept the statement of the Honourable the Home Member on the subject. I have not got a copy of the Act and, therefore, I cannot contest his statement. Sir, I have only to add one more newspaper to the list of the papers mentioned by the Honourable the Home Member, and that paper is the *Herald* of Lahore. That paper represents the views very largely of the Party to which my friend, Mr. Fakir Chand, belongs. It is not necessary to read an extract from that paper. The date of that paper is the 16th February, 1935. The paper has whole-heartedly supported this measure which has been proposed by the Home Member.

With these remarks, I support Mr. Ranga's proposition that, in the first place, Government should have the courage to withdraw the proposal for circulation of this Bill and if Government will not do that—because circulation is perfectly unnecessary, everybody knows the opinions of this simple Bill; it is a straightforward Bill with a couple of clauses, which can be considered very carefully by a Select Committee,—if Government is not prepared to send it immediately to a Select Committee, I hope they will proceed with the legislation, as expeditiously as possible, in order to give effect to it in the Simla Session.

The Honourable Sir Henry Craik: I am gratified at the reception that this Bill has met with in the House, for it has been received, I think I can fairly claim, with general support. It has also been of interest to me that so many Honourable Members from the Punjab took part in the debate and there is no doubt that the question of imprisonment for debt is a more acute one in the Punjab than in any other Province except perhaps Madras. The Honourable Member who spoke last, was perfectly right in saying that the subject has been debated in the Punjab Council as part of their Bill for the relief of agriculturists debts at considerable length, but actually, as I pointed out, a clause on the lines of the present Act was reinserted in the Bill and that legislation has now been passed. I may have been incorrect in saying that it is the law of the land, as I am not sure whether

[Sir Henry Craik.]

it has received the Governor's assent; but, anyhow, that measure has been enacted by the Punjab Council and the Punjab Act includes a clause which embodies the principle embodied in my Bill.

I may have given the House quite unintentionally a wrong impression in saying that the Bill or at any rate the principle of the Bill had been circulated for opinion and that it had received general support. Actually what was referred to Local Governments and the point on which they were asked to collect opinions may be summed up in the following words: "The question on which the Government of India desire to secure advice is whether arrest and imprisonment for debt where no contumacy is proved should be abolished for general or for particular classes of persons". That is a very broad statement of the principle contained in the Bill, but the actual provisions of the Bill have not yet been circulated for public opinion. I think after reading the opinions received, that by far the great majority was in favour of the principle of the Bill, but it would be misleading the House if I said that there was no opposition at all to the proposals. For example, I find that in the Punjab, the Local Government said: "The High Court consider that the issue of a notice to the debtor before arrest should be compulsory and not merely discretionary as at present, but with the exception of two Judges they are not in favour of any more drastic changes. A majority of the Judicial officers, the Bar, the Chambers of Commerce and the business community are opposed to any change at all, while the executive officers are divided in their opinion, but the rural community and the labouring classes would welcome the abolition of the provisions of imprisonment for debt except where contumacy is proved". I think that makes it clear that in the Punjab at any rate, and I have no doubt that in other provinces too, there was a certain amount of opposition.

Now, Sir, my Honourable friend, Prof. Ranga, suggested that there was no necessity to circulate the Bill and it might have been referred to a Select Committee immediately. I regret that if that was his feeling, he did not put down an amendment to that effect, because, if such an amendment had been put down and if it had received general support in the House, I should have considered very carefully whether I should not accept it. But it has not been put down and there are grave difficulties in changing our course now. In fact I hardly think that the rules and procedure of the House would permit such a course at this stage. But in view of the generally expressed feeling that the passage of the Bill should as far as possible be expedited, I shall be very glad to limit the period allowed for circulation so far as I can, and certainly I think there should be no difficulty in requiring the opinions to be submitted in plenty of time to let the House resume consideration of this Bill and refer it to a Select Committee if they so decide at an early stage in the next Simla Session. I hope that assurance will satisfy my Honourable friends and that they will agree to the passing of this motion for circulation.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Bill further to amend the Code of Civil Procedure, 1908 (*Amendment of section 51*), for certain purposes, be circulated for the purpose of eliciting opinion thereon."

The motion was adopted.

THE PAYMENT OF WAGES BILL.

The Honourable Sir Frank Noyce (Member for Industries and Labour):

Sir, I move:

"That the Bill to regulate the payment of wages to certain classes of persons employed in industry, be referred to a Select Committee consisting of Mr. V. V. Giri, Mr. S. Satyamurti, Mr. Mohan Lal Saksena, Mr. B. B. Varma, Mr. H. P. Mody, Syed Ghulam Bhik Nairang, Mr. A. N. Chattopadhyaya, Mr. L. C. Buss, Mr. N. M. Joshi, Dr. F. X. DeSouza, Mr. J. Monteth, Mr. S. K. Hosmani, Mr. P. R. Rau, Mr. A. G. Clow and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Sir, as I have explained in the Statement of Objects and Reasons, this Bill represents the revised edition of a Bill introduced in this House more than two years ago. That Bill was circulated for opinion and a motion was then made for its reference to a Select Committee, but owing to the pressure of more urgent business the motion was not reached, and with the dissolution of the last Assembly, the original Bill lapsed. I have had the opinions reprinted and circulated to the Members of the present House. As Honourable Members are doubtless aware, they are voluminous and deal with almost every aspect of the Bill. When we came to examine them ourselves, we found that they contained a large amount of valuable criticism and we felt that it was only right that we should, before asking again for a Select Committee, do what we could to remedy the defects in the Bill and to embody those improvements which, in the light of the criticisms, appeared to be desirable. I hope the House will agree with me that the Bill, we have now presented, is a greatly improved Bill, and, although the Select Committee will still have by no means an easy task, I am sure that their labours will be substantially lightened by the changes we have introduced.

The main structure of the Bill remains substantially unaltered, and the changes relate, for the most part, to matters of detail. But a few of them are, I think, of sufficient importance to justify my directing the special attention of the House to them now. The most important change of all is one which is rather wrapped up in obscurity in the Bill, as drafted, owing to what I may call the technical necessities of drafting. Honourable Members will find it embodied in clause 6 (2) (b) of the Bill which relates to deductions from wages on account of damage or loss. We have limited such deductions to damage or loss of goods which are expressly entrusted to the employed person for custody or to the loss of money for which he is required to account. The effect of this clause, if it is passed in the form we propose, will be to put an end to the practice of handing over spoilt cloth to weavers in cotton mills. I should perhaps inform the House that I take a specially personal interest in this matter because the practice first came prominently to my notice when I was President of the Cotton Textile Tariff Board in 1927. My colleagues and I then unanimously recommended that the practice of compelling weavers to take spoilt cloth in lieu of wages should be stopped immediately. The Whitley Commission, however, by a majority, recommended merely that the deduction should not exceed the wholesale price of the damaged goods. They added:

"This together with the registration of deductions proposed later, may be sufficient to prevent abuses, but the registers will in any case provide the material necessary to determine whether or not further regulation is required."

[Sir Frank Noyce.]

It would seem from that that they had some doubts about the soundness of their own recommendation, but they felt that the evidence before them was insufficient to justify further regulation. When we, in my Department, came to consider the Payment of Wages Bill, I accepted, though with very considerable hesitation, the recommendation of the Commission, for I felt that, apart altogether from any comparison between the personnel of the two bodies, the view of the Commission, dealing as they did with labour questions generally, must carry greater weight than that of the Tariff Board which only dealt with them incidentally. I think, however, that I can now claim that the criticisms which we have received and which Honourable Members will be able to study for themselves give emphatic support to the view taken by the Textile Tariff Board. I may add that this view always had the support of my Honourable friend, Mr. Joshi, who dissented from that taken by the majority of the Labour Commission, and that the evidence before us has now converted the only other member of the Commission now amongst us, Mr. Clow. I am very glad that I was able to convince Mr. Clow on this point for, as Honourable Members know, a Scotsman who has once made up his mind takes a great deal of convincing.

Mr. S. Satyamurti (Madras City: Non-Muhammadan Urban): And so does an Englishman also.

The Honourable Sir Frank Noyce: I have not been able to refer to other members of the Commission, but Honourable Members who have read the opinions will note the very significant fact that a distinguished member of the Labour Commission, Sir Victor Sassoon, as a result of certain investigations and discussions, passed immediate orders that the system should be abolished at once in all the mills under his agency. I would ask Honourable Members, who are interested in this question, to study particularly the results of the special enquiry into this matter made by an Investigator of the Bombay Labour Office, Mr. Mehrban. They will find these results on pages 105—116 of the rather substantial volume which has been circulated to them. I will not take the time of the House longer than is necessary and will give only a very few extracts from Mr. Mehrban's report. On page 110 of the Volume of Opinions, he refers, for example, to two mills in Ahmedabad. In one of these which had only 420 weavers the total amount of cloth handed to them in a single year amounted in value to over Rs. 18,000, each weaver having to take spoilt cloth on the average on not less than 30 occasions in each year. I may add that this was in addition to fines amounting to nearly Rs. 8,000 for bad and negligent work. In another mill, where the weavers numbered 180, the value of the cloth handed over in the course of the year amounted to Rs. 15,698 in addition to fines. This works out to about Rs. 87 for each weaver per year. In a later passage in his report, Mr. Mehrban describes, as a very conservative estimate, the value of spoilt cloth handed over to the weavers in the Ahmedabad mills every year as amounting to Rs. 7½ lakhs. He adds that it might very easily be Rs. 10 lakhs. This is in addition to a very large amount of fines inflicted on weavers estimated at Rs. 5 lakhs. I might add that, when I was on the Textile Tariff Board, I found an example myself in an up-country mill, to the best of my recollection

it was in Cawnpore,—where the recoveries for spoilt cloth from the weavers, in a single month, amounted to over Rs. 4,000. Again, to go back to Ahmedabad, the manager of one of the mills there told Mr. Mehrban that there were many cases in his mill every *hapta* (i.e., about a fortnight) where the value of the spoilt cloth exceeded the wages due. In other words, every pay day a number of weavers received no wages at all and had to live and support their families on the value of the spoilt cloth that had been handed over to them. I hardly think that this House will consider that a very satisfactory state of affairs. I am glad to think, though I am not quite sure, that there is no other centre in which the practice I have mentioned has reached the dimensions it has in Ahmedabad, but I feel—and trust that the House will agree with me—that the whole system is one which cannot be mended and ought to be ended forthwith. The extent to which it lends itself to abuse can be judged from the figures I have quoted. In my opinion, they are somewhat startling, and I have no doubt that the system is one under which it is almost impossible to guarantee justice to the weavers.

That, Sir, represents the most important change we have made in this Bill since it came before the House in its original form. But I should also like to draw the attention of the House to the provisions introduced to deal with advances which they will find in sub-clauses (e), (f) and (g) of clause 6 (2). The original Bill contained no provision on the subject of advances and some provisions in regard to them seem called for. Sub-clause (e) is based on an express recommendation of the Labour Commission. In clause 7 among other changes, it is proposed to prohibit the recovery of fines by instalments.

The only other changes, to which I need call attention at present, are those made in respect of the enforcement of the law. In particular, we have drawn a distinction between applications for the recovery of deductions and applications for the payment of delayed wages. Deductions are, as a rule, matters affecting individuals whereas delay in the payment of wages ordinarily affects a considerable group of workers. We have, therefore, introduced provisions for a joint application in respect of delayed payments and we have limited the compensation that the employer can be required to pay in the case of delay to Rs. ten per head. Under the old Bill he was liable to pay up to ten times the amount withheld and while this is not unreasonable in the case of fines, it would create enormous and unreasonable liabilities where wages in a large factory have not been paid on the due date.

I would only say in conclusion that the Bill seems to me one of special interest as it is the only important item in the now lengthy list of labour legislation which has been placed before this House as a result of the recommendations of the Whitley Commission which breaks entirely new ground. It was only to be expected, therefore, that our original proposals should be subjected to searching criticism and I regard it as fortunate that we should have been able to save the time of the Select Committee, which, as I have already said, still has a difficult enough task before it, by taking advantage of those criticisms and presenting a revised measure to this House.

Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill to regulate the payment of wages to certain classes of persons employed in industry, be referred to a Select Committee consisting of Mr. V. V. Giri, Mr. S. Satyamurti, Mr. Mohan Lal Saksena, Mr. B. B. Varma, Mr. H. P. Mody, Syed Ghulam Bhik Nairang, Mr. A. N. Chattopadhyaya, Mr. L. C. Buss, Mr. N. M. Joshi, Dr. F. X. DeSouza, Mr. J. Monteth, Mr. S. K. Hosmani, Mr. P. R. Rau, Mr. A. G. Clow and the Mover, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Mr. V. V. Giri (Ganjam cum Vizagapatam: Non-Muhammadan Rural):

4 P.M. Sir, I rise to support the Bill which is to be referred to a Select Committee. I would like, however, to make a few observations before the matter is referred to a Select Committee. My complaint is that the Bill is limited in its scope. The Bill relates to the regulation of the payment of wages to certain classes of persons employed in industry, specially in factories or railways and to certain classes of railwaymen. I would like to refer to the view of the Royal Commission on Labour which desired that the Bill should be more comprehensive. At page 241 of their recommendations, the Royal Commission stated as follows:

"In our opinion the law should be applicable to factories, mines, railways and plantations and it should provide for possible extensions to other branches of industry."

I may be also allowed to quote the words of the Government of India which were quoted by the Royal Commission itself in that very Chapter at page 241:

"To quote the Government of India, it is no uncommon thing—in fact it appears to be the rule—in certain industries—for monthly wages to be systematically withheld until a fortnight after the close of the month to which they relate. And cases have come to the notice of Government in which wages have been withheld for considerably longer periods."

I, therefore, consider that that being the view of the Government of India, they should not have any hesitation to add the other industries under the scope of this Bill, and I hope that this matter will be brought forward before the Select Committee and that the Select Committee will be able to support my observations.

The second point to which I would like to draw attention is with regard to the definition of fine in clause 6 (2) (a)—deductions by way of fine. I take it that deductions by way of fine include reductions of pay and stoppage of increment also. If it does not include these, I would desire that these too should be included at the time the Select Committee discusses this Bill, because it is intended by the Government that these fines should form a separate fund for the benefit of the workers and that the employer should have no monetary interest in the same. Therefore, these two, reduction of pay and stoppage of increment, should be added to the fines fund; otherwise the employer, in order to make up what he might lose from the levying of fines, might make it up by the reduction of pay and the stoppage of increment. I would like to have this observation also before the Select Committee.

The next point I would like to refer to is clause 6(2)(k): I would like to add after that a sub-clause (6)(2)(l) which should state that deductions on account of insurance premia, recognised by the State, social insurance

benefits, such as relief to the unemployed and approved by the State, should be added: and, further, I would like to state that trade union subscriptions should be collected if the workers so desire. I would like to quote what the Government of Madras have stated with respect to this matter, which supports my view:

"The Royal Commission on Labour have recommended that approval may be given for deductions on account of subscriptions to provident funds, contributions for medical facilities and recoveries on account of co-operative stores and other activities which are in the interests of workers. A trade union is *prima facie* in the interests of the worker and if a worker joining a union agrees voluntarily to allow his subscription to the union being deducted from his wages, there is no reason why the deduction should not be approved by the Local Government."

I submit that this point should receive the attention of the Select Committee.

The next suggestion I would like to make is with respect to clause 7 (1), which says:

"No deduction by way of fine shall be made from the wages of any employed person, unless a notice has been exhibited in the prescribed manner on the premises in which he is employed, or in the case of persons (not being persons employed in a factory) employed upon a railway at such place or places as may be prescribed, specifying the acts or omissions on the part of an employed person for which a fine may be imposed, nor otherwise than in accordance with such notice."

I desire that the provisions of this Bill should make it clear that when a fine is levied a charge sheet should be presented to the employee by the employer so that the employé will have a chance of refuting the charges against him: the employé or worker should be allowed, if he so desires, that a representative of the trade union may go before the employer and explain the case on behalf of the worker. I desire that this should be made perfectly clear and it is the view of the Royal Commission on Labour. Their report at page 162 makes it quite clear:

"If the employé so elects, he should be entitled to be accompanied by a representative of an accredited trade union of which he is a member or by one of his fellow-workmen to assist him in presenting his case."

I now come to clause 12 wherein it is provided that when the authority hears complaints arising out of deductions from wages or delay in payment of wages and penalty for malicious or vexatious claims, it should be competent to the worker's representative to appear before this appellate authority and represent matters about the justification or otherwise of fine inflicted if he felt aggrieved. This matter also should be made clear and a provision introduced to this effect by the Select Committee. As regards clause 7, sub-clause (6), I desire to state that the fund should be managed by a representative body representing organized labour, and must only be expended on their advice.

Then, I come to clause 11 (1), Sir, when Inspectors are provided for supervision, I submit that a supervisor of railway labour is, after all, a railway servant and cannot be really independent in discharging his duties if the provisions of this Act are to be carried out properly. I suggest that the supervisor of railway labour should, hereafter, be under the Industries and Labour Department rather than under the Railways.

Then I come to clause 17 (3), which says:

"No Court shall take cognisance of an offence under sub-section (2) of section 16 except on a complaint made by or with the sanction of an Inspector under this Act."

[Mr. V. V. Giri.]

I submit, Sir, that no sanction of an Inspector is necessary, because sufficient penalties are provided under clause 12, sub-clause (5), where it is stated:

"If the authority hearing any application under this section is satisfied that it was either malicious or vexatious the authority may direct that a penalty not exceeding fifty rupees be paid to the employer or other person responsible for the payment of wages by the person presenting the application, and any such penalty may be recovered in the manner provided in the Code of Criminal Procedure, 1898, for the recovery of fines."

Therefore, there is no justification at all for any sanction by any Inspector under clause 17 (3). Penalties are provided, and nobody would present a case merely to harass the other side. I submit, Sir, all these observations should be laid before the Select Committee in deciding these matters.

Mr. J. A. Milligan (Bengal: European): Sir, I rise to support the motion brought forward by the Honourable Sir Frank Noyce that this Bill be referred to a Select Committee. The labourer is worthy of his hire and it is right that the law should secure to him the payment of his just dues in a reasonable time and protect those dues from unreasonable deductions. At the same time, it is not right that, in doing so, the law should impose harassing and irksome conditions on good employers, employers who, in their relations with their labour force, have hitherto done nothing to justify the introduction of such a measure.

Sir, this Bill represents a great improvement on the Bill which was introduced two years ago, but there are still a number of points which are susceptible of improvement at the hands of the Select Committee before the Bill is ready for the acceptance of this House. Out of a number of points, I propose to refer to four points only, which appear to me to require some improvement. First of all, in clause 1 (6), it is stated that:

"Nothing in this Act shall apply to the payment of wages for any wage-period to any person whose wages, by whatever periods paid, amount in respect of that period to one hundred rupees a month or more."

It is not clear how the arbitrary figure of Rs. 100 creates a class barrier between the fortunate recipient of that sum and the less efficient fellow worker who may only be getting Rs. 99-15-6. The Bill, according to the preamble, is intended to regulate the payment of wages of certain classes of persons, and it seems to me that the amount of the wage is not the important point. It is the nature of the work and the character of the earning.

Next, Sir, I turn to clause 3. The principle embodied in this clause is a very sound one, namely, that the responsibility for seeing that wages are correctly and promptly paid should lie on the employer or his manager; but, as worded, the clause requires that the actual payment should be made either by the manager or by the employer. That, I submit, Sir, is neither practicable nor reasonable in a very great number of cases.

With respect to the provision that wages shall be paid before the expiry of the seventh day, in clause 5, there is a proviso in sub-clause (5) whereby this condition can be relaxed in particular cases. I suggest to the members of the Select Committee that they should consider the insertion of a similar proviso in section 8.

I turn now to clause 11 (4), where a very important change has been made in this Bill as compared with the Bill that was introduced two years

ago. In that Bill the powers of an Inspector related to the examination of prescribed registers, but here an Inspector may enter on any premises and make such examination of any register or document. Surely, Sir, these are unnecessarily wide powers liable to abuse.

And, Sir, lastly, I would refer to clause 12 read with clause 14—the powers conferred on the authority which is to be appointed under clause 12 to decide claims arising out of deductions from the wages or delay in payment of wages of persons employed or paid in the area of his jurisdiction. Clause 12 (3) empowers this authority to assess compensation up to the remarkable figure of ten times the sum in question. It is difficult to imagine any circumstances which would justify so extravagant a valuation. It, therefore, appears that some penal element is contemplated in the assessment of compensation against employers. If that is so, it seems to me, Sir, quite wrong that the decisions of this authority should be final for so large a sum as Rs. 300. In disputes between employers and employed the question very often is not one of the amount involved, but a matter of principle. For these reasons, Sir, I support the motion.

Prof. N. G. Ranga (Guntur *cum* Nellore: Non-Muhammadan Rural): Sir, if an Englishman or a German or an Italian were to come to our country and attend this Session of the House and follow this debate, he would be wondering whether really he is in *Kali Yuga*, in 1935, or whether he is hearing things that were proposed to be done in 1600 or 1700 A.D. While in Europe, even in a conservative country like England, labour has been able to come into power on two occasions, and Labour Minister has been able to step over the bridge and become a conservative and keep himself in power for five years, we, here in this country, are still considering the ways and means by which workers may be helped to receive their wages from their employers! Sir, workers have been working for wages in this country as elsewhere, and yet why is it necessary now to proceed with this Bill? If our workers are really able to look after themselves, there is no necessity to bring forward a measure of this character. No exception has been made with regard to any organized industry from the scope of this Bill. That is because in no industry can you find today labour organizations so strong as to be able to look after the workers. That is so even in regard to the prompt payment of wages in industries in which organized labour unions ought to render some service to the workers. The Royal Commission on Labour, the President of which was a distinguished Englishman, a humanitarian and a great saviour and helper of labour,—and I wish that it should be put on record of this House that we, on this side of the House, really do not lack in our admiration of the services of that esteemed gentleman who unhappily is no more,—and who has rendered valuable service to the cause of Indian labour,—the Royal Commission on Labour has been obliged to recommend that a Bill of this kind is necessary. That only shows that our labour is in a helpless condition. If that is the case with the workers in these industries where there has been some real organization, and where my friends, Mr. Joshi and Mr. Giri, have been able to look after them, to some extent at least, what shall we say about all those workers, millions and millions of them, who have not had any opportunity whatsoever of developing their organizations or of attracting the attention of the Government and the attention of the Leader of the House so that their grievances might be remedied and their troubles alleviated? Sir, it may be thought that I am rather exaggerating things in this country if I say that agricultural workers should have been brought

[Prof. N. G. Ranga.]

within the ambit of this particular Bill. There are more than 80 millions of them who are really obliged to earn their wages on agricultural work. They do not come within the provisions of this Bill. Then, there are more than ten million hand-loom weavers in this country. They are not protected by this Bill. Then, again, there are at least a couple of millions of other workers. There are copper and bronze utensil makers, those who are engaged in the manufacture of *bidis*, cigarettes and cigars, those who are employed as farm servants by agricultural peasants, and then there is the numerous class of plantation labour. All these people are not given the benefit of this Bill. Why is it? Have the Government no eyes to see, no ears to hear the woes and wailings of all these men? I suggest it is because the Government do not wish to be sympathetic, are not affected by the sufferings of all these men.

A question may be raised by the Treasury Benches that it may not be possible to check the vagaries of the employers of these people, which will mean the appointment of a horde of factory inspectors, other inspectors, and that will naturally mean an additional expenditure of some lakhs or crores of rupees. It is true, I am prepared to admit that it might mean the appointment of a large number of people, but I am prepared to meet that objection also. Here is a provision in this Bill according to which the Local Government would be competent to appoint a large number of people who today are not within the category of factory inspectors, but who, at the same time, will hereafter be made competent to inspect the places where such workers are being employed. According to this provision, it will be possible to appoint honorary magistrates, to appoint village munsifs, to appoint presidents of panchayat boards, to appoint commissioners of district boards, municipal councillors, and also chairmen of municipal councils and the presidents of local boards, as officers competent to inspect the places where all these domestic workers are employed. Mr. Whitley was the father of the British Trade Board system, and it was Mr. Whitley who was responsible for trying to protect the sweated workers in the sweated industries of London and England. And it was Mr. Whitley who was the President of our Labour Commission and he recommended that such a Bill should be passed. But, most unfortunately for us, the Government which had thought it fit to get a Royal Commission appointed for agriculture, for the ordinary industrial worker—the Government have not thought it fit to appoint a committee for agricultural labour—we do not want Royal Commissions any longer, we do not wish to have any more Royal Commissions, we are not very much impressed with those Royal Warrants, but there might be a Government of India Committee to enquire into the grievances and sufferings of agricultural workers—not only those people but also the workers of the cottage industries. When Mahatma Gandhi is thinking of helping these cottage industries, by resuscitating them and giving more employment to the cottage industrial workers, the Government come out with the notorious Hallet's Circular to the effect that Government officers ought not to co-operate with Mahatma Gandhi and his workers. But these workers cry for protection, protection against whom? Protection against their own employers! And yet Government are not prepared to extend the scope of this Bill to protect these people. You may wonder whether, really, after all, these people are suffering so very much. I will, therefore, give you only one instance—the instance of contract labour in Burma, according to which system nearly five lakhs of Indians are made to suffer.

Huge deductions are being made from their wages amounting to 15 to 20 per cent of their monthly earnings, and this system of contract labour has been condemned by successive Labour Commissioners, it has been condemned by the Royal Commission on Labour, and by the Burmese Government themselves and then the Chief Inspector of Factories. I will only give you just an instance to give an idea to this House what these deductions mean and to what an extent the helplessness of these workers has enabled the employers to exploit them,—from a very competent, well written and very authoritative book known as "Contract Labour in Burma", by one Mr. Narayana Rao, who was a nominated member of the Legislative Council in Burma for six years and who was a representative of labour there. This is a contract between two *kanganies*, between two *maistries*, that is, agents of employers, agents of shipowners, agents of rice mill owners and other employers, and these agents agree among themselves upon the following terms, in order to loot, to deceive, to rob these helpless workers in Burma:

"While according to the order of the company (*that is, the steamship company*) there should be 17 persons for a gang for every ship having a cargo of bags, we will send 15, deducting the remaining two persons' profit accruing by such deduction.

Whilst, according to the order of the company, there should be twenty persons for a ship having a cargo of tiles, we have been sending 17, deducting the wages of these remaining persons in respect of each gang aforesaid.

Whilst there should be eight winchmen for every steamer, we have been sending four, deducting the wages of the remaining four persons in respect of the above.

Whilst the company was giving Rs. 1-13-0 for every gang maistry, we have been paying one rupee and eight annas. In addition to the sum of annas five thus saved, in respect of every maistry, the sum of rupee one of every bill."

In this way deductions have been made. This system has been condemned by every one; the same kind of system prevails on this side of the Coromandel Coast also, and yet no provision is made by which these five lakhs of people, Indians, there working in Burma—not only Indians, but also five lakhs of Burmese—ought to be protected.

As regards fines, my Honourable friend, Mr. Giri, has made mention of it. He said that there should be some representative of workers in the committee to be appointed for the purpose of deciding in what way the money derived from fines should be spent. I agree with him. There should be a provision made, and I hope opportunity will be taken by the Select Committee to see that a provision is made for the appointment of representatives of labour also on these committees that are to be appointed to expend the monies collected as fines.

Again, who is to fine the workers? Who is to be the judge? The employer himself! The man who is interested in victimising the workers. Should there be no appeal against the employers' decision? There was a Bombay enquiry and details are given here in the circulated papers, at page 34. The employer can fine his people for late attendance, unauthorised absence, for leaving without notice, for refusing to work overtime, for committing nuisance, for spitting, for smoking, for bringing matches and other things dangerous to the factory, for serious carelessness, for neglect of duty, for loss of or damage to tools, machines or other property of the employer, for insubordination, for fraud, for minor theft, for substitution of materials. The power given to the employer to fine is so vague and so wide that it can be used in an arbitrary fashion

[Prof. N. G. Ranga.]

and there is no appeal according to the provisions of this Bill against the decision of the employer. I, therefore, suggest that a suitable addition should be made to the provisions of this measure so that workers may not be fined in an arbitrary fashion by their employers. Then, there is the deduction that can be made for housing accommodation. On plantations and in some of these far off distant areas, especially in some of the mines, there is no other accommodation except what is provided by the employers themselves and the workers have got to go and live in those houses. In such cases, the employers would be able to demand famine rents. They can demand any rent they like and who is to judge whether the demand is reasonable or not? Therefore, I suggest that the Inspectors ought to be given the right to inspect these houses and satisfy themselves that the rents are not exorbitant, that the rents are not too high and are not too arbitrarily fixed.

Lastly, there is the question of penalty. What is the object of this Bill if it is not to enable the workers anywhere and everywhere and at any time and whenever there is a need, to go to the proper authorities and complain against the failure of any of their employers or agents to pay them the proper wages? If they are to be at liberty to go and complain against any injustice that may be perpetrated by their employers, then it will certainly be justified. But how is it here? It is provided here that wherever the Judges are satisfied that any application has been maliciously or improperly made, they will be competent to impose a heavy and prohibitive penalty of Rs. 50 on the worker. I would like to know which worker will prefer a complaint against his employer if he is to be afraid all the time that he would have to pay Rs. 50, because he may not have proper advocates to advocate his cause. I submit this is too high and it should be lowered to one half, if not to one fourth. In my view it ought to be not more than Rs. ten because the maximum penalty that an employer is liable to pay is Rs. ten, whenever he keeps for himself some portion of the wage which ought to have been paid to the worker. If it is Rs. ten in the case of the employer, I cannot see any legitimate reason why the workers are to be frightened by this particularly high penalty of Rs. 50. If this is the penalty which is to be retained, then I can warn this House as well as the Member for Industries and Labour, who seems anxious to help the workers, that the same results would follow as have followed from the Sarda Act. In the Sarda Act, you made it incumbent upon the complainant that he should deposit a large sum in order to establish his *bona fides*, and because of this condition many people have not been able to launch prosecutions against those who have really contravened the provisions of that Act. Similarly, if you were to keep this very high and prohibitive penalty upon these workers they may never be able to establish their case. This is likely to happen very often indeed, because the workers will never be able to pay this high sum. It is for these reasons that I request the Honourable Member for Industries and Labour and the members of the Select Committee to see that the scope is widened in order to embrace all these helpless millions of workers, the handloom weavers, the servants employed by these capitalists, the stevedore workers, the factory workers and all those who are being employed under the contract labour system in Burma.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 20th February, 1935.