

30th August 1938

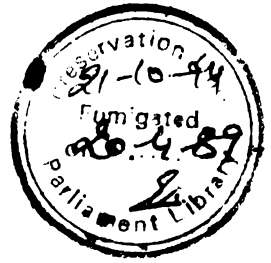
THE LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

Volume V, 1938

(26th August to 9th September, 1938)

EIGHTH SESSION OF THE FIFTH LEGISLATIVE ASSEMBLY, 1938



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Legislative Assembly.

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Deputy President :

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

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LEGISLATIVE ASSEMBLY.

Tuesday, 30th August, 1938.

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

STARRED QUESTIONS AND ANSWERS,

(a) ORAL ANSWERS.

SCHEME FOR AN AERIAL RESERVE FORCE OF VOLUNTEERS.

580. ***Seth Govind Das** : Will the Defence Secretary please state :

- (a) whether it is a fact that plans are under consideration for the building up of an aerial reserve force of volunteers who, while normally engaged in civil aviation, will be liable to be called upon in emergencies for the defence of India ; and
- (b) what are the schemes contemplated and the stage at which the considerations are, and when they are to commence the building up of the force ?

Mr. C. M. G. Ogilvie : (a) Yes.

(b) No decision has so far been reached. Government are, therefore, not yet in a position to announce the details.

Mr. S. Satyamurti : With reference to clause (a) of the question, may I know what the monosyllabic answer means ? Does it mean that plans are under consideration for the building up of an aerial reserve force of volunteers ?

Mr. C. M. G. Ogilvie : Yes.

Mr. S. Satyamurti : May I know whether, apart from volunteers, there is any other scheme of protecting India against air attacks ?

Mr. C. M. G. Ogilvie : I fail to see how that arises out of this.

Mr. S. Satyamurti : It arises on this, because clause (b) refers to the schemes contemplated and the stage at which the considerations are, and the last part of clause (a) refers to emergencies for the defence of India.

Mr. C. M. G. Ogilvie : The answer is that there are plans for the building up of an aerial reserve force of volunteers which will be liable to be called upon in the event of an emergency.

Mr. S. Satyamurti : I want to know whether there are any schemes or plans under consideration for anti-aircraft defences of the country.

(1207)

Mr. C. M. G. Ogilvie : I fail to see how that arises on this question.

Mr. S. Satyamurti : Sir, it is for you to rule whether this question is in order. I submit that the defence of India includes protection against air attacks.

Mr. K. Santhanam : With reference to part (a) of the question, may I know the approximate number of people who will be fit to become volunteers ?

Mr. C. M. G. Ogilvie : I cannot possibly tell that now to the Honourable Member.

Mr. T. S. Avinashilingam Chettiar : With reference to clause (b) of the question, may I know the approximate date by which they expect to complete these plans ?

Mr. C. M. G. Ogilvie : I am afraid I am unable to state the approximate date.

Mr. M. Ananthasayanam Ayyangar : Have Government any programme of making instruction cheap for all persons who want to learn civil aviation ?

Mr. C. M. G. Ogilvie : I am afraid, I am unable to answer questions of detail of that kind.

DISPOSAL OF PLOTS TO EUROPEANS IN THE AHMEDABAD CANTONMENT.

581. ***Mr. Badri Dutt Pande** : (a) Will the Defence Secretary be pleased to state whether it is a fact that the Military Estates Officer, Bombay Circle, is encouraging certain European firms to take lands in Ahmedabad Cantonment at nominal rents ?

(b) Is it also a fact that in the case of the disposal of plots to these European firms, neither was any auction held, as is required by rules, nor were the proceedings sent to the Collector for his concurrence ?

Mr. C. M. G. Ogilvie : (a) and (b). No. One unauthorised concession was, however, made to an Indian firm. This is now the subject of an enquiry by Government.

Mr. Badri Dutt Pande : Is it a fact that the average rate of private-owned lands in the cantonment area in Ahmedabad is Rs. 4 and 5 and that to one company, Messrs. W. H. Brady & Co., it was given at Re. 1 per square yard ?

Mr. C. M. G. Ogilvie : No, as far as I am aware. If the Honourable Member will put down a question I will find out the exact facts.

Mr. Badri Dutt Pande : Are there still four or five plots for which civilian officers applied ? Why were they not given to these civilian officers ?

Mr. C. M. G. Ogilvie : I shall require notice of that question.

Mr. S. Satyamurti : Was that unauthorised concession to which my Honourable friend referred, to a European firm or to a European ?

Mr. C. M. G. Ogilvie : No, it was to an Indian firm ; at least of seven directors five including the Chairman and Vice-Chairman were Indians.

Mr. Badri Dutt Pande : Why were the plots not auctioned and the Collector not consulted in the matter ?

Mr. C. M. G. Ogilvie : This is the solitary instance of which I have just given the details to Mr. Satyamurti and I have told the Honourable Member that the case is now the subject of an inquiry by Government.

Mr. Badri Dutt Pande : Have some plots been given to the European Agents of the local banks there in the same way ?

Mr. C. M. G. Ogilvie : No, Sir.

HOUSE SCAVENGING SERVICE IN CANTONMENTS OF THE PUNJAB AND THE NORTH-WEST FRONTIER PROVINCE.

582. ***Mr. Badri Dutt Pande :** (a) Will the Defence Secretary be pleased to state whether it is a fact that no house scavenging service was being rendered to residents of houses in bazar areas of the Punjab and the North-West Frontier Cantonments, and that the house scavenging tax in Cantonments of these two Provinces was ordered to be abolished ?

(b) Is it a fact that such service was being rendered to officers residing in bungalows, but they were also exempted from the tax ?

(c) Is it a fact that the elected members of these Boards and public have protested against this increase of house-tax and submitted objections ; and still neither the official majority on Boards, nor the Government has taken any action ? If so, why ?

Mr. C. M. G. Ogilvie : (a) Yes.

(b) No. House scavenging service, as defined in section 131, Cantonments Act, is not supplied to military officers residing in bungalows.

(c) Objections have been received in a few cases. Any proposal received from a cantonment board to increase any tax is fully considered before it is sanctioned, and, so far, no proposals for an increase of house tax have been sanctioned. They are still under consideration.

Mr. Badri Dutt Pande : Is it a fact that the military officers do not pay any scavenging tax ?

Mr. C. M. G. Ogilvie : I have answered that question.

AFFAIRS OF THE NASIRABAD CANTONMENT BOARD.

583. ***Mr. Badri Dutt Pande :** (a) Will the Defence Secretary be pleased to state whether it is a fact that four out of seven elected members of the Nasirabad Cantonment Board resigned as a protest against the highhandedness of the official military President and the rejection of several of their proposals by the official majority ?

(b) Is it a fact that at Nasirabad Cantonment the President and Executive Officer enters into litigation with the public without bringing the matter before the Board ?

(c) Is it a fact that the proposal of elected members for reorganisation of establishment and effecting economies in expenditure was rejected by official majority ?

Mr. C. M. G. Ogilvie : (a) I have nothing to add to the information I furnished in reply to starred question No. 1249 asked by the Honourable Member on the 17th April, 1938.

(b) No. There have, however, been two or three cases in which civil suits have been brought against the board, or notices of suits have been given, which were not at once brought to the notice of the board. Steps have been taken to guard against this in future.

(c) No.

Mr. Badri Dutt Pande : Have fresh elections taken place in the Nasirabad Cantonment ?

Mr. C. M. G. Ogilvie : As far as I know, not at present.

Mr. Badri Dutt Pande : When are they likely to take place ?

Mr. C. M. G. Ogilvie : I think very soon.

INCREASE IN THE HOUSE TAX IN THE KOHAT CANTONMENT.

584. ***Mr. Badri Dutt Pande :** (a) Will the Defence Secretary be pleased to state whether under orders of the Deputy Director of Cantonment in Command, the Cantonment Board with only one elected member decided to increase the house tax in Kohat Cantonment from five to ten per cent. ?

(b) Is it a fact that the public of Kohat protested against this increase of house-tax and suggested economies in Board expenditure ? If so, with what results ?

Mr. C. M. G. Ogilvie : (a) and (b). The Deputy Director, Military Lands and Cantonments, advised the board to consider the possibility of increasing the house tax to make good the loss caused by the abolition of house scavenging tax. The proposal was accepted by the board and is now being considered by Government. A notice was issued under section 61, Cantonments Act, and no objections were received. Two objections which were sent to the board prior to the issue of the notice under section 61 were considered by them and economies amounting to approximately Rs. 2,600 per annum have been effected.

Mr. Badri Dutt Pande : In view of the fact that the house tax has been considerably increased in almost all the cantonments, will Government consider the advisability of having an inquiry into this very high increase ?

Mr. C. M. G. Ogilvie : I think in reply to the Honourable Member's last question or the last but one, I informed him that so far no increase of house tax had been sanctioned in any cantonment.

Mr. Badri Dutt Pande : Not even at Kohat from five to ten per cent. ?

Mr. C. M. G. Ogilvie : It has not yet been sanctioned.

GOVERNMENT'S POLICY IN RESPECT OF PASSPORTS.

585. *Mr. S. Satyamurti : Will the Honourable the Home Member please state :

- (a) the principles on which passports are issued or withheld in this country ;
- (b) whether the Government of India keep in touch with His Majesty's Government with regard to the renewal of passports of Indians from England and other countries who desire to return to India ;
- (c) whether Government propose to follow a policy free from any political or other prejudices in this matter ; and
- (d) if not, why not ?

The Honourable Mr. R. M. Maxwell : (a) Passports are normally granted except to applicants who are likely to become destitute abroad, or where there is reasonable ground for apprehending that an applicant's visit to any country would be dangerous.

(b) Yes.

(c) and (d). Government do not see any reason to depart from their present policy.

Mr. S. Satyamurti : With reference to the answer to clause (a) and in regard to the second category under which my Honourable friend said passports are refused, may I know what are the criteria by which Government come to the conclusion that the visit of a particular person to a country is likely to be dangerous ?

The Honourable Mr. R. M. Maxwell : Usually his past record and connections.

Mr. S. Satyamurti : May I know whether they refer to the fact of his previous political connections, for example, conviction in the civil disobedience movement of which many of us are guilty, or whether it means any international offences of which he has been convicted ?

The Honourable Mr. R. M. Maxwell : The reasons will be more of the latter nature ; that is, so far as I am aware, nobody's passport will be refused merely on the ground that he has been convicted in connection with civil disobedience.

Mr. S. Satyamurti : May I know whether the likelihood of the presence of a particular person who applies for a passport for any particular country being dangerous to that country is judged after consulting the wishes of that country's representative in this country or otherwise, or is it a unilateral decision ?

The Honourable Mr. R. M. Maxwell : The danger is with reference to India and not with reference to the other country.

Mr. S. Satyamurti : May I know whether Government in giving or refusing to give passports are governed by any political prejudices ? I am sorry to use that word, but I use it in an inoffensive sense.

The Honourable Mr. R. M. Maxwell : I think I can assure the Honourable Member that there is no political prejudice in the matter at all and it is determined solely by considerations of public safety and welfare.

Mr. T. S. Avinashilingam Chettiar : May I know what danger they expect to this country by people going outside this country to other countries ?

The Honourable Mr. R. M. Maxwell : Sometimes it is possible to make connections abroad which render them able to be dangerous when they return to this country.

Mr. S. Satyamurti : With reference to clause (b) of the question may I know whether, with regard to the renewal of passports of Indians in England and other countries who desire to return to India, the same considerations which my Honourable friend mentioned apply ?

The Honourable Mr. R. M. Maxwell : Certainly, Sir.

POSITION OF THE RESERVE BANK *vis-a-vis* THE SCHEDULED BANKS.

586. ***Mr. S. Satyamurti :** Will the Honourable the Finance Member please state :

- (a) whether he is examining the position of the Reserve Bank *vis-a-vis* the scheduled banks, especially in view of the recent bank crisis in South India on account of the failure of the Travancore National and Quilon Bank, Limited ;
- (b) whether Government propose to take speedy steps to amend the Reserve Bank Act to give adequate powers to the Reserve Bank to protect the depositors and creditors of the scheduled Banks ;
- (c) what the powers are which the Reserve Bank has now in respect of this matter ; and
- (d) whether Government are prepared to study the situation in other countries in respect of this matter and introduce suitable and effective legislation in this behalf, if so when ?

The Honourable Sir James Grigg : (a), (b) and (c). I have nothing to add to the replies which I gave to question No. 359 asked by Mr. Manu Subedar on the 22nd instant and to certain short notice questions replied to by me on the same day.

(d) The legal provisions in other countries were examined in connection both with the Reserve Bank of India Act and with the provisions of Part X-A of the Indian Companies Act.

Mr. S. Satyamurti : With reference to clause (d) of the question, may I know whether my Honourable friend has examined or has had examined the powers of the Reserve Bank in respect of other banks in the United States of America ?

The Honourable Sir James Grigg : They were examined both in connection with the Reserve Bank of India Act and with the provisions of the Indian Companies Act.

Mr. S. Satyamurti : With regard to action under the Indian Companies Act may I know whether any action has been taken to bring these banks within the scope of that section ?

The Honourable Sir James Grigg : I do not understand the question.

Mr. S. Satyamurti : In answer to clause (d), my Honourable friend referred me to the Companies Act. May I know if any action has been taken under that Act ?

The Honourable Sir James Grigg : I do not think it has become operative yet.

Mr. S. Satyamurti : When will it become operative ?

The Honourable Sir James Grigg : The Honourable Member can put down a question on that.

Mr. S. Satyamurti : With reference to clause (b)—I can remember the answers he gave to my previous question as well as the short notice questions—may I know if any conversation took place between my Honourable friend and the Governor of the Reserve Bank who was here, with regard to taking speedy steps to amend the Reserve Bank Act in order to give adequate power to the Reserve Bank to protect the depositors in scheduled banks ?

The Honourable Sir James Grigg : I do not think I am called upon to answer questions as to private conversations between myself and the Governor of the Reserve Bank.

Mr. S. Satyamurti : May I know whether Government have come to any conclusion in view of the fact that even now the Calicut Bank has failed, as to the need or desirability of amending the Reserve Bank Act so as to protect depositors in scheduled banks ?

The Honourable Sir James Grigg : There are special reasons for the failure of the Calicut Bank as the Honourable Member will find when I answer a later question on the point which has been put down on the paper. As regards his general question, I have answered that question as fully as I can, and I think the Honourable Member would be, if I may say so, well advised not to press me any further, because I cannot add anything at the present moment.

Mr. Manu Subedar : Have they considered or are they considering the proposal which was discussed by the Central Banking Inquiry Committee that the Reserve Bank should be the proper authority for attending to all bank's liquidation so that if they find it sound they can reconstruct the bank and if they find it unsound the liquidation can come in ?

The Honourable Sir James Grigg : I have no doubt it was considered at the time of the passing of the Reserve Bank Act.

INSPECTION OF THE MADRAS AERODROMES BY SEVERAL OFFICERS CONNECTED WITH COASTAL DEFENCE.

587. ***Mr. S. Satyamurti** : Will the Defence Secretary please state :

- (a) whether it is a fact that several officers connected with coastal defence went to Madras in the second week of June for inspection of the local aerodromes and other strategic points on this coast ;
- (b) whether they have reported to Government, and if so, what that report is ; and
- (c) whether Government propose to take any action thereon ?

Mr. C. M. G. Ogilvie : (a), (b) and (c). It is not in the public interest to reply to this question.

FACILITIES FOR MILITARY TRAINING OF CITIZENS.

588. ***Mr. S. Satyamurti** : Will the Defence Secretary please state :

- (a) whether the Calcutta Corporation have been informed by the Government of India that, apart from other difficulties, financial considerations alone make it impossible for the Central Government to take action on the resolution passed by the Corporation recommending the grant of facilities for military training to the citizens and rate-payers of Calcutta between the ages of 21 and 41 ;
- (b) whether Government have any proposals to train and keep a second line of defence in the country ;
- (c) if so, what they are ; and
- (d) if not, why not ?

Mr. C. M. G. Ogilvie : (a) The Government of Bengal, who forwarded the resolution of the Calcutta Corporation, were informed by the Government of India that, apart from other difficulties, financial considerations alone made it impracticable for the Government of India to take action on the resolution passed by the Calcutta Corporation.

(b) Yes.

(c) The proposals for a second line of defence are described in Chapter II, Volume I, of the Report of the Auxiliary and Territorial Forces Committee, dated the 23rd January, 1925, a copy of which is in the Library of the House. They have been given effect, to, and the Indian Territorial Force, the University Training Corps and Auxiliary Force are now established.

(d) Does not arise.

Mr. S. Satyamurti : May I know what is the total strength of the Indian Territorial Force, the Indian Auxiliary Force and the University Training Corps ?

Mr. C. M. G. Ogilvie : I shall require notice.

Mr. S. Satyamurti : May I know, as regards clause (a), whether Government have made any calculation of the financial commitments if that scheme were to be carried out ?

Mr. C. M. G. Ogilvie : Detailed calculation was unnecessary. The sum involved was obviously enormous.

Mr. S. Satyamurti : May I know whether apart from financial considerations, what were the other considerations which weighed with the Government of India in turning down this request of the Calcutta Corporation supported by the Bengal Government ?

Mr. C. M. G. Ogilvie : That single consideration was quite sufficient to turn the matter down without thinking of any others at all ; but if one had wanted to find others, there they are : finding officers, N. C. Os. and so on to train so vast a body would in itself be beyond our power.

Mr. S. Satyamurti : May I take it, therefore, that apart from these forces, Government have no proposals for a second line of defence in this country ?

Mr. C. M. G. Ogilvie : Yes.

Mr. T. S. Avinashilingam Chettiar : May I know whether they propose to extend or increase the units of these University Corps ?

Mr. C. M. G. Ogilvie : Not at present.

IMPERIAL DEFENCE IN RELATION TO INDIA.

589. ***Mr. S. Satyamurti :** Will the Defence Secretary please state :

- (a) whether it is a fact that substantial progress has been made in the informal discussions between the India Office and the War Office on both the strategic and financial aspects of the Imperial defence in their relation to India ;
- (b) when these discussions are expected to conclude ;
- (c) whether the Legislature will be consulted by Government before final decisions are taken thereon ; and
- (d) if not, why not ?

Mr. C. M. G. Ogilvie : (a) to (d). The discussions referred to were of a preliminary character, and I hope that it will be possible to make an announcement at an early date in regard to the progress made up to the present. I would ask the Honourable Member to await that announcement.

Mr. S. Satyamurti : I shall await that ; but may I know whether the Honourable the Defence Secretary hopes to be in a position to make that statement before the end of this Session of the Assembly ?

Mr. C. M. G. Ogilvie : I hope so, Sir.

Mr. Manu Subedar : May I inquire once again whether the Party Leaders of this House will be taken into confidence in regard to the full details before the end of the Session ?

Mr. C. M. G. Ogilvie : The answer was that an announcement would be made at an early date : Party Leaders and all Members of the House will, therefore, be in a position to know what the progress made is.

Mr. S. Satyamurti : With reference to clause (c), may I know if this announcement will take the form of a tentative announcement subject to its being accepted by the Government, after the Government have had the opinions of this House and considered them ?

Mr. C. M. G. Ogilvie : The announcement as I indicated is an announcement of progress : the House may very rightly, I imagine, express its opinion as to what it considers the nature of that progress has been.

Mr. S. Satyamurti : I want to know something definite : I am asking specifically whether Government will suspend taking decisions in this matter, so far as this country and its finances are concerned, till this House has heard the announcement and has then expressed its opinions one way or the other on the announcement.

Mr. C. M. G. Ogilvie : There is no question at present of taking final decisions of any kind.

Mr. Mannu Subedar : An announcement is a unilateral thing : my question is whether there will be discussions between the Government and Party Leaders in this House ?

Mr. C. M. G. Ogilvie : I cannot possibly answer that question at present.

Mr. T. S. Avinashilingam Chettiar : May I know if time will be given to this House to discuss the question ?

Mr. C. M. G. Ogilvie : I cannot say.

BOARD TO CARRY OUT THE RECOMMENDATIONS OF THE WHEELER AND MAXWELL COMMITTEES.

590. ***Mr. S. Satyamurti** (on behalf of Seth Govind Das) : Will the Honourable the Home Member please state :

- (a) the names of the three Secretaries selected to the Board appointed for carrying out the recommendations of the Wheeler and Maxwell Committees on the reorganisation of the Central Secretariat ; and
- (b) the reason for Government's not selecting a non-official member of the Legislature or a public man of India for the purpose ?

The Honourable Mr. B. M. Maxwell : (a) The Honourable Member is referred to the reply given to part (b) of Mr. Satyamurti's starred question No. 475 on the 25th August, 1938.

(b) As the Honourable Member will see from the reply given to part (c) of the same question, the functions of the Board are confined to certain matters concerning the posting and promotion of officers. No occasion therefore arises for associating a non-official with this work.

REPRESENTATION FROM CERTAIN UNIVERSITIES URGING CHANGE IN THE METHOD OF RECRUITMENT TO THE INDIAN CIVIL SERVICE.

590. ***Mr. S. Satyamurti** (on behalf of Seth Govind Das) : Will the Honourable the Home Member please state :

- (a) whether Government received any representation from the Universities of Bombay, Calcutta, etc., urging changes in the method of recruitment to the Indian Civil Service ;
- (b) whether the Universities suggested the abolition of the system of nomination and the elimination of the stipulation requiring Indian candidates at the competitive examination in London to hold an honour degree of any British University ; and
- (c) whether Government replied to the representations made ; if so, the purport of their replies, and whether Government represented the matter to His Majesty's Government ; if so, the result thereof ?

The Honourable Mr. R. M. Maxwell : (a) and (b). Yes.

(c) The Government of India forwarded the representations to the Secretary of State for India who came to the conclusion that there was no sufficient reason for re-opening the question at the present time in view of the very full consideration given to the matter before the changes in the method of recruitment were made. This decision of the Secretary of State was intimated to the Universities which had made representations.

Mr. S. Satyamurti : When Government forwarded these representations, did they make any recommendations themselves to the Secretary of State ?

The Honourable Mr. R. M. Maxwell : They expressed an opinion similar to that which I have mentioned in answer to the question.

Mr. S. Satyamurti : May I know whether Government have had time to judge of the products of these nominations in the Indian Civil Service, and whether they are satisfied that there has been no deterioration ? I am talking of entry into the I. C. S. by nomination which is referred to in clause (b) of the question. It was a jealously guarded service recruited from the best people after a stiff competitive examination.

The Honourable Mr. R. M. Maxwell : Yes : in so far as the system of nomination has been applied in practice, the results have uniformly been excellent.

Mr. S. Satyamurti : With reference to the answer to part (2) of clause (b), may I know whether the Government of India have considered that this constitutes a handicap on Indian candidates who have got to take a Honours degree in a British University and will they consider removing that handicap ? It is a serious one, in the case of Indians.

The Honourable Mr. R. M. Maxwell : It was not intended to be a handicap to Indian students at all. The policy is that the Delhi examination is to be the main avenue for recruitment of Indians into the Indian Civil Service and, therefore, it is necessary to restrict the numbers for whom the examination is held in England : otherwise, these candidates who can afford to go to England for their studies will have an advantage and those who have had their education in India would be at a disadvantage.

Dr. Sir Ziauddin Ahmad : Is it not a fact, Sir, that nominations are restricted mainly to those candidates who have qualified themselves in the competitive examinations ?

The Honourable Mr. R. M. Maxwell : They are all qualified by very strict rules.

Mr. T. S. Avinashilingam Chettiar : May I know, Sir, whether this system of nomination has not tended to encourage nepotism and favoritism ?

Mr. President (The Honourable Sir Abdur Rahim) : That question cannot be put.

Prof. N. G. Ranga : When was this stipulation made that only those who hold honours degrees of any British University can be allowed to appear for these competitive examinations ?

The Honourable Mr. R. M. Maxwell : It was made by the Secretary of State.

Prof. N. G. Ranga : When was this stipulation made ?

The Honourable Mr. R. M. Maxwell : When the new rules were brought into force. I cannot give the exact date.

Mr. M. Ananthasayanam Ayyangar : What proportion is reserved for nomination of Indians ?

The Honourable Mr. R. M. Maxwell : The nomination is not intended to apply to Indians.

Dr. Sir Ziauddin Ahmad : In view of the manner in which these examinations are conducted in India both by the Universities and the Public Service Commission, is it a fact that we do not select the ablest man, but only the most fortunate ?

The Honourable Mr. R. M. Maxwell : No, Sir, I would not admit that at all.

FAMILY PENSION OF THE INDIAN CIVIL SERVICE.

592. ***Maulvi Abdur Rasheed Chaudhury :** (a) Will the Honourable the Finance Member please state from which year the payment of the family pension of the Indian Civil Service was transferred from India to London ?

(b) What was the total amount of family pension of the Indian Civil Service in 1936-37 and in 1937-38 ?

(c) What additional sum India had to pay in 1937-38 including exchange value on account of this transfer, and what amount will she have to pay in 1938-39 ?

The Honourable Sir James Grigg : (a) to (c). I think the Honourable Member has misunderstood the position. The pensions in question have always been paid in sterling or in rupees according to the place of residence of the pensioner. Part of the balance of the Family Pension Fund (which incidentally has been built up almost entirely by the contributions of the officers and interest thereon) is in process of transfer to Commissioners in London under section 273 of the Government of India Act, 1935.

Maulvi Abdur Rasheed Chaudhury : Will the Honourable Member kindly repeat the answer to part (c) of the question ? I could not hear him.

The Honourable Sir James Grigg : I have answered all the parts together.

Mr. T. S. Avinashilingam Chettiar : May I know, Sir, at what rate is the exchange calculated for payment of family pensions ?

The Honourable Sir James Grigg : This is paid in Rupees for residents in India, and in sterling for residents in the United Kingdom, and therefore no question of rate of exchange arises.

Mr. Lalchand Navalrai : May I know, Sir, if these family pensions will be paid at the same rate after the Federation comes or some other method will be devised ?

The Honourable Sir James Grigg : The Honourable Member has not listened to my answer.

RUPEE SITUATION IN INDIA.

593. ***Maulvi Abdur Rasheed Chaudhury :** (a) Will the Honourable the Finance Member please state whether the attention of Government has been drawn to the London comment on the future of the rupee and the Reserve Bank as published in the *Statesman* of the 12th June, 1938 ?

(b) Are Government aware that economists after, surveying the Rupee situation in India, have come to the conclusion that the financial difficulties have been aggravated to the extent of £3,000,000 in 1937-38 and that it will be double in 1938-39 on account of this transfer ?

The Honourable Sir James Grigg : (a) Yes.

(b) As pointed out in the Budget speech, the transfer of funds to the Commissioners for Family Pension Funds means a definite diminution of our external obligations and a reduction in interest charges.

Perhaps there is some misunderstanding on the part of Honourable Members. I may explain what I said in my reply to a supplementary question just now. There is no question of rate of exchange for individual pensioners. The assets of the Fund are being in part transferred to the Commissioners in London, and that is part of the ordinary Government remittance programme.

STABILISATION OF GOLD PARITY.

594. ***Maulvi Abdur Rasheed Chaudhury** : (a) Will the Honourable the Finance Member please state whether it is not a fact that India is the only country in the world called on to stabilise at a higher gold parity than before the world war ?

(b) If the reply to part (a) be in the affirmative, will Government please state why they are not allowing the gold parity to drop to the previous level, as has been the case with the rest of the world ?

The Honourable Sir James Grigg : (a) No.

(b) Does not arise.

Mr. S. Satyamurti : With reference to the answer to clause (a) of the question, may I know, Sir, which are the other countries called on to stabilise at a higher gold parity ?

The Honourable Sir James Grigg : In the first place, India has not been called upon to stabilise at higher than the pre-war gold parity. For India in comparison with her pre-war position the depreciation is 32½ per cent. in relation to gold.

Mr. K. Santhanam : With reference to part (a), may I know whether the gold parity of the rupee today is much higher than the gold parity of the sterling ?

The Honourable Sir James Grigg : Sterling has depreciated by 40 per cent. in comparison with the pre-war rate as compared with 32½ per cent. for India.

AGITATION AGAINST THE PRESENT GOLD PARITY.

595. ***Maulvi Abdur Rasheed Chaudhury** : Will the Honourable the Finance Member please state whether the attention of Government has been drawn to the continued agitation against the present gold parity, especially in the Congress Provinces ?

The Honourable Sir James Grigg : I would refer the Honourable Member to my reply to part (a) of question No. 108 asked by Sardar Mangal Singh on the 10th August, 1938.

Mr. S. Satyamurti : May I know, Sir, if the Government of India have heard from the Government of Madras ? I am inviting my friend's attention to a statement made by the Premier of Madras in which he stated that they had represented to the Government of India their very strong feeling in this matter ?

The Honourable Sir James Grigg : The Honourable Member is making some play with the fact that I said that communications between the Provincial Governments and the Central Government are confidential. This particular communication to which he has just referred was marked ' confidential '.

Mr. S. Satyamurti : In view of the fact that the other parties to the correspondence do not treat it as confidential, may I know whether he has heard from the Madras Government, the Premier of Madras having made a public statement in the Legislature ?

The Honourable Sir James Grigg : I should prefer to preserve the confidentiality at any rate unilaterally.

EXCHANGE RATIO.

596. *Maulvi Abdur Rasheed Chaudhury : (a) Will the Honourable the Finance Member please state whether it is not a fact that Sir Basil Blackett, late Finance Member, while piloting his Paper Currency (Amendment) Bill and Indian Coinage (Amendment) Bill, 1929, gave assurance that the rupee ratio of 1s. 6d. was only a temporary measure and that he would keep the price of gold at Rs. 21-10-3 so long as this ratio exists ?

(b) Why has not this ratio been reduced to 1s. 4d. with the rise in price of gold above Rs. 21-10-3 according to this assurance ?

(c) When do Government propose to bring back the rupee to 1s. 4d. ratio ?

(d) Are Government aware that economists consider that the present financial difficulties will compel authorities to either increase the rate of interest, or to curtail India's credit ?

The Honourable Sir James Grigg : (a) No.

(b) Does not arise.

(c) I would refer the Honourable Member to the communiqué of the 6th June, 1938.

(d) This is a matter of opinion.

Mr. S. Satyamurti : With reference to clause (a) of the question, what does 'no' mean ? Does it mean that the Honourable the Finance Member is not aware, or that Sir Basil Blackett did not make that statement ?

The Honourable Sir James Grigg : He did not make that statement.

Prof. N. G. Ranga : What is the nature of the present difficulties which the Government of India are experiencing with reference to part (d) of the question ?

The Honourable Sir James Grigg : I have not said that the Government of India are experiencing any difficulties. The Honourable Member asked me what were the views on the question of certain economists.

Prof. N. G. Ranga : Is it or is it not a fact that the Government of India are undergoing certain difficulties owing to the present exchange ratio ?

The Honourable Sir James Grigg : That does not arise out of this.

Mr. S. Satyamurti : With reference to part (d), may I know, Sir, whether Government are aware of the different opinions of the various economists in this country ?

The Honourable Sir James Grigg : Yes, Sir, and I have often expressed my view that wherever there will be five economists, there will be at least six opinions.

Prof. N. G. Ranga : Why is it that the Government of India have only one Economic Adviser ?

The Honourable Sir James Grigg : Because he can be relied upon to have one opinion only.

Mr. S. Satyamurti : Is the one Economic Adviser selected, because he is expected always to accept Sir James Grigg's opinion ?

The Honourable Sir James Grigg : No, Sir, that is quite untrue.

IMPOSITION OF AN IMPORT DUTY ON FOREIGN SALT.

597. ***Seth Govind Das :** Will the Honourable the Finance Member be pleased to state :

- (a) whether he is aware that the abolition of the additional salt import duty has accentuated competition against the indigenous salt industry from Aden and Africa ;
- (b) the total quantity of Aden and other foreign salt imported into India since the abolition of the additional import duty on salt as compared with the imports of the year previous to the abolition of the additional import duty ;
- (c) whether Government have received representations from Bengal and other Provinces with regard to the effect of the abolition of the additional import duty and the heavy imports, in consequence, acting on the Indian salt industry ;
- (d) whether Government propose following Burma's example in the matter of restricting salt import ; and
- (e) whether Government propose taking steps to impose the duty on foreign salt imported into India including Aden salt ; if so, when and, if not, the reasons therefor ?

The Honourable Sir James Grigg : (a) and (b). A statement is laid on the table. It will be observed that imports from Aden during May to July, 1938, have declined as compared with the imports during the same period last year, but a considerable quantity has been imported this year from Port Said. Total imports have declined substantially.

(c) Representations have been received from salt interests in Bengal, Bombay and Sind.

(d) and (e). The Government of India do not announce their intentions with regard to taxation proposals in advance.

Statement showing imports and clearances of Foreign and Aden salt from 1st May to the 31st July.

Source.	Imports.		Clearances.	
	1937.	1938.	1937.	1938.
	Tons.	Tons.	Tons.	Tons.
United Kingdom	79	1,637	47	1,223
Germany	13,055	8,974	11,557	10,571
Netherlands	2	..	..	..
Port Said .. .. .	..	13,065	421	10,179
Goa	1,392	1,664	1,392	1,664
Aden	66,441	43,444	68,133	49,240
Total ..	80,969	68,784	81,550	72,877

Mr. S. Satyamurti : With reference to imports from Port Said, can my friend throw any light as to the source of that salt which is imported from Aden ?

The Honourable Sir James Grigg : I understand it is made in Port Said.

Mr. S. Satyamurti : May I know, whether, apart from my Honourable friend's usual answer, which I do not question, that Government do not announce their taxation measures before the Budget, the Government are considering the danger to indigenous salt from the importation of foreign salt, and do they propose to take any steps for protecting indigenous salt ?

The Honourable Sir James Grigg : I think the Honourable Member must have missed a very significant qualification to my statement in which I said that the total imports have declined substantially ; in other words, the measures taken or rather allowing the Act to lapse seems to have improved the position of the indigenous producers on present showing.

Mr. S. Satyamurti : May I ask the Honourable Member if, compared with last year, there has been a substantial fall in the importation of foreign salt into this country now ?

The Honourable Sir James Grigg : I can give both the imports and the clearances. I will give the clearances. For the three months from 1st May to 31st July--and the Honourable Member knows that the

duties did not lapse until the 30th April 1937, the total clearances were 81,550 tons and in 1938, 72,877 tons. The actual imports show even larger reductions.

Mr. S. Satyamurti : But these are not very substantial reductions ?

The Honourable Sir James Grigg : 15 per cent. so far as imports are concerned. Surely that is substantial enough.

RECRUITMENT IN THE MECHANICAL TRANSPORT DEPARTMENT.

598. ***Mr. Sham Lal :** Will the Defence Secretary be pleased to state :

- (a) whether eight years ago Government abandoned direct recruitment in the Mechanical Transport Department and decided to give promotion to old mechanics, or the sons of military employees, the intention being to train these people for a period of five years during which time to give them ordinary ration, uniform and pocket expenses ; whether the object was to get better grades of mechanics at lower cost ;
- (b) whether it was decided to Indianise this Department and have Indians in place of Englishmen and whether a few mechanics were selected in July, 1937 and were appointed after their apprenticeship ;
- (c) whether in March, 1936, the privilege was extended to Anglo-Indians and 25 Anglo-Indians were recruited and it was decided that the first 25 posts should be reserved for Anglo-Indians and the remaining were to be filled by Indians ; and
- (d) whether the result was that the recruitment of Indians was practically stopped, three or four Indians having been taken, and the Anglo-Indians out-numbered all other communities ?

Mr. C. M. G. Ogilvie : On the assumption that the Honourable Member is referring to the Mechanical Transport apprentice scheme, the answers are as follows :

- (a) and (b). The position is as stated by the Honourable Member.
- (c) No. Enrolment has always been open to Anglo-Indians, but, in 1936, the number was limited to less than one-seventh of the total cadre.
- (d) No.

Mr. Sham Lal : What is the total number of Indians recruited in 1937, and the number of Anglo-Indians ?

Mr. C. M. G. Ogilvie : I shall want notice of that.

BARRACKS GIVEN TO INDIAN APPRENTICES IN THE MECHANICAL TRANSPORT DEPARTMENT.

599. ***Mr. Sham Lal :** Will the Defence Secretary be pleased to state :

- (a) whether the barracks given to Indian apprentices in the Mechanical Transport Department afforded no protection against rain, heat and cold ;

- (b) whether the representation made by Indians for suitable barracks was turned down, on the ground that there was no provision in the budget ;
- (c) whether it is a fact that, as soon as Anglo-Indians were recruited, fans were fitted in their barracks, *pankha*-coolies and gas lamps were provided, and in winter oil, charcoal and hot-water provided to them in abundance, and window panes fitted with wire-gauze ; and
- (d) whether, soon after, more Anglo-Indians were recruited and the existing barracks were found insufficient, and new barracks with better ventilation and heat-proof roofs were constructed, and the rooms were fitted with electric fans and fire-places ?

Mr. C. M. G. Ogilvie : (a) No.

(b) No representations were made by Indians, but the Officer Commanding, Chaklala, represented the case for the general improvement of conditions of Indian apprentices. Concrete proposals have been asked for, but have not yet been received.

(c) When Anglo-Indian apprentices were enrolled, steps were taken to provide them with suitable accommodation in accordance with the terms of their enrolment.

(d) Yes.

Mr. M. Ananthasayanam Ayyangar : Are there no similar terms of enrolment so far as Indians are concerned—that they should be given proper accommodation and protection against wind, rain, heat and cold ?

Mr. C. M. G. Ogilvie : Yes, they do get that.

Mr. M. Ananthasayanam Ayyangar : If so, why did they have to wait until representations were made by the officer in charge ?

Mr. President (The Honourable Sir Abdur Rahim) : That does not arise.

Mr. Sham Lal : May I ask the Honourable the Defence Secretary whether the barracks provided for Indians are far worse than those provided for Anglo-Indians ?

Mr. C. M. G. Ogilvie : I think at present there is no doubt but that they are.

Mr. Abdul Qaiyum : What is the reason of this racial discrimination between Indians and Anglo-Indians ?

Mr. C. M. G. Ogilvie : There is no racial discrimination at all.

Mr. Abdul Qaiyum : Then how does this discrimination arise ?

Mr. C. M. G. Ogilvie : It is merely that Anglo-Indians were enrolled on certain terms and Indian apprentices on other terms.

Mr. Abdul Qaiyum : Why are the terms not being made uniform for Indians and Anglo-Indians ? Anglo-Indians are also Indians, statutorily they are Indians.

Mr. C. M. G. Ogilvie : They are statutory Indians—yes.

Mr. Sham Lal : Will the Honourable Member be kind enough to see a photo of the barracks provided for the Anglo-Indians and for Indians ? He will see that those provided for Indians are not at all comfortable while palaces have been given to Anglo-Indians. Will the Honourable Member kindly see a photo ?

Mr. C. M. G. Ogilvie : I am fully prepared to enquire into this matter. I am also inclined to agree with the Honourable Member from the researches that I have made, that the existing accommodation, though not so bad as stated in the question, is by no means good.

Mr. Abdul Qaiyum : May I know why this discrimination is made in the enrolment terms as between Indians and Anglo-Indians ? Why is it that the Government do not have a uniform policy for both sections ?

Mr. C. M. G. Ogilvie : The fact remains that Government did not have a uniform policy. One lot had one term of enrolment, and another lot another term.

Mr. Abdul Qaiyum : Are there any reasons for continuing this discrimination now ?

Mr. C. M. G. Ogilvie : I am going to look into the matter and see how far the conditions can be reasonably approximated.

Mr. Ram Narayan Singh : Who brought about the terms ? Did the Anglo-Indian candidates demand the terms, or did the Government favour them with those terms ?

Mr. C. M. G. Ogilvie : The Anglo-Indian candidates were apparently glad to take the terms. There was no complaint from any of them.

RACIAL DISCRIMINATION IN THE MECHANICAL TRANSPORT DEPARTMENT.

600. **Mr. Sham Lal :** Will the Defence Secretary be pleased to state :

- (a) if it is a fact that the uniform provided to Indian apprentices in the Mechanical Transport Department is the same for the whole year, while different uniforms for different seasons are given to Anglo-Indians, that the uniform of Indians costs Rs. 40 and that of Anglo-Indians costs Rs. 300, and that an Indian gets a pair of stockings for annas twelve, while an Anglo-Indian gets it for annas six ;
- (b) whether an Indian is required to wear the uniform, though it may be bitter cold, while an Anglo-Indian is allowed to put on his warm suit and gloves ;
- (c) whether the diet allowance for an Indian is annas four while it is annas fourteen for an Anglo-Indian ;
- (d) whether it is a fact that when an Indian is on leave, the diet allowance is deducted from his pay, whereas an Anglo-Indian gets ration and full pay ; and
- (e) whether an Anglo-Indian gets the travelling allowance given to British soldiers, while an Indian gets what is given to an Indian soldier ?

Mr. C. M. G. Ogilvie : (a) No. During the winter months, serge knickerbockers and a warm coat are issued to Indian apprentices.

The Anglo-Indian apprentices are not entitled to any extra clothing in winter. The initial cost of the uniform of an Indian apprentice is Rs. 48 and that of an Anglo-Indian Rs. 130.

Stockings are not an article of issue in either kit.

(b) No. The type of dress to be worn throughout the year is left to the discretion of the unit commander. Serge for the Anglo-Indian and extra issue clothing for the Indian would normally be ordered concurrently.

(c) and (d). An Anglo-Indian apprentice receives the normal rations, messing and ration allowance of a British other rank. Thus, when at duty, he receives rations *plus* annas six a day messing allowance ; and, when on leave, ration allowance, at Rs. 10 per mensem. An Indian apprentice receives no rations, and ration allowance only when on duty.

(e) Yes.

Mr. Sham Lal : Why is this discrimination between Indians and Anglo-Indians ? The latter get rations while on leave whereas the former do not.

Mr. C. M. G. Ogilvie : I must refer the Honourable Member to the answer I gave to another question further back in which I stated that the terms of enrolment were different but that I did not consider them entirely satisfactory and that I was prepared to examine them.

Mr. M. Ananthasayanam Ayyangar : When does the Honourable Member expect to introduce changes in this system ?

Mr. C. M. G. Ogilvie : I cannot tell you.

RACIAL DISCRIMINATION IN THE MECHANICAL TRANSPORT DEPARTMENT.

601. **Mr. Sham Lal :** Will the Defence Secretary be pleased to state :

- (a) whether it is a fact that previously apprentices in the Mechanical Transport Department were being kept at different places throughout India, but now all are being kept at Chaklala (Punjab) ; if so, why ;
- (b) whether Government are aware that discrimination with regard to board, lodging, uniform and travelling allowance has created great heart-burning among Indians ; and
- (c) whether Government are prepared to consider the propriety of reducing the recruitment of Anglo-Indians and removing the discrimination existing between them ?

Mr. C. M. G. Ogilvie : (a) Yes, to centralise training.

(b) No.

(c) The answer to the first part is no. I am, however, prepared to go into the question of the terms of service of all these apprentices.

PROFESSIONAL TAX IMPOSED ON THE INHABITANTS OF THE DALHOUSIE CANTONMENT.

602. *Mr. Sham Lal : Will the Defence Secretary be pleased to state :

- (a) whether a professional tax has been imposed upon the inhabitants of Dalhousie Cantonment ;
- (b) whether in Dalhousie Cantonment there are already house tax, water tax, frontage tax, dog tax, servant tax, being more than 25 per cent. of the income ;
- (c) whether Government have considered that there is a civil station adjoining the Cantonment and the Cantonment trade shall be adversely affected by the imposition of this tax and would mean the ruin of many traders ;
- (d) whether the inhabitants of Dalhousie Cantonment made any representation to Government on this subject, and what action Government have taken on that representation ; and
- (e) whether Government propose to consider the advisability of abolishing this tax ?

Mr. C. M. G. Ogilvie : (a), (d) and (e). Professional tax has not yet been imposed in Dalhousie Cantonment, but is under consideration, together with objections submitted to the board.

(b) Yes.

(c) Yes. The answer to the latter part of the question is in the negative. The incidence of taxation in the municipality is Rs. 26-14-1 compared to Rs. 14-8-7 in the cantonment.

RELEGATION OF A PART OF THE CRIMINAL INVESTIGATION DEPARTMENT WORK TO THE PROVINCES.

603. *Mr. T. S. Avinashilingam Chettiar : Will the Honourable the Home Member state :

- (a) whether a part of the Criminal Investigation Department work has been relegated to the Provinces after the inauguration of Provincial autonomy ;
- (b) what type of Criminal Investigation Department work has been relegated to them, and what is still retained by the Central Government ; and
- (c) whether the work has not consequently lessened ; if it has, with what financial effect ?

The Honourable Mr. R. M. Maxwell : (a) The Government of India had no Criminal Investigation Department at the time of the introduction of Provincial Autonomy. If, however, the Honourable Member's question refers to the Central Intelligence Bureau, the reply is that no part of the work of the Intelligence Bureau has been relegated to the Provinces after the inauguration of Provincial Autonomy.

(b) and (c). Do not arise.

Mr. S. Satyamurti : May I know whether a part of the Central Intelligence Department is now working in the provinces ?

The Honourable Mr. R. M. Maxwell : Yes. There are seven officers working in the provinces.

Mr. S. Satyamurti : May I know whether those officers are responsible to the Ministers in the respective provinces in charge of law and order and police ?

The Honourable Mr. R. M. Maxwell : No. They are not responsible. They are officers of the Central Government.

Mr. S. Satyamurti : May I know under whom they work in the provinces ?

The Honourable Mr. R. M. Maxwell : They work under the Central Intelligence Bureau. They do not work under anybody in the provinces.

Mr. S. Satyamurti : May I know whether, in sending their reports to the Government of India with regard to various activities for watching which they are employed,—whether those reports reach the Government of India through the Provincial Governments or over the heads of the Provincial Governments ?

The Honourable Mr. R. M. Maxwell : They report directly to their superior officers here, but Provincial Governments also do receive a certain amount of information from them.

Mr. S. Satyamurti : May I know in view of the inauguration of Provincial Autonomy the Government have consulted or propose to consult Provincial Governments about the continuance of this anomalous position of certain intelligence officers working in the provinces, without reference to the Ministers themselves ?

The Honourable Mr. R. M. Maxwell : No. There is nothing anomalous about central officers working in the provinces. For instance, take the Posts and Telegraphs Department's officers. They work in the provinces but is there any anomaly there ?

Mr. S. Satyamurti : Since the Honourable Member has asked me a question, may I know whether, apart from the Central Intelligence Bureau, there is any other department whose functions are shared partly between the Government of India and the Provincial Governments ? In the case of the Posts and Telegraphs Department the Provincial Governments have nothing to do with it. But with regard to the Criminal Intelligence, most of it is done by Provincial Governments and some by the Central Government. If so, may I know under what arrangement this is done, which is not inconsistent with Provincial Autonomy ?

The Honourable Mr. R. M. Maxwell : These officers are not concerned with Criminal Intelligence. That is entirely a provincial matter.

Mr. T. S. Avinashilingam Chettiar : The Criminal Intelligence Department is intended for law and order, and in view of the fact that these subjects have been transferred to the provinces, may I know what reason there is to maintain this department at the same cost and with the same personnel as before ?

The Honourable Mr. R. M. Maxwell : It is provided under item 1 of list I of the Seventh Schedule of the Government of India Act.

Mr. S. Satyamurti : May I know whether it is part of the duties of the intelligence officers to report about the Ministers and their activities ?

The Honourable Mr. R. M. Maxwell : No, Sir.

Mr. T. S. Avinashlingam Chettiar : In view of the fact that a like department is already functioning under the Provincial Ministers, may I know whether the Government will consider the advisability of adding on this work to them with a view to effecting economy in expenditure ?

The Honourable Mr. R. M. Maxwell : These officers have somewhat different functions. The provincial criminal intelligence branches can only deal with matters within the four corners of their own province. These officers will be able to help in matters of inter-provincial liaison in, say, such matters as all-India movements or dangers.

Mr. S. Satyamurti : Apart from these all-India movements, what are the functions of this Central Criminal Intelligence Department ?

The Honourable Mr. R. M. Maxwell : They gather information on matters of inter-provincial and all-India interest, for instance, matters such as Communism, and they report this to the Central Intelligence Bureau and are also able to make provision for inter-provincial information on these subjects. They are able to help the provincial intelligence branches in knowing the all-India aspects of such matters.

Mr. S. Satyamurti : In view of the fact that Communism is a subject which is in charge of the Ministers for Law and Order, may I know what is the relation of this Intelligence Department to the Minister in charge of Law and Order and the Police, in the province, whose functions, *inter alia*, include dealing with all those who are " criminals " according to the Government of India ?

The Honourable Mr. R. M. Maxwell : This department gives the Ministers information which they would not perhaps get otherwise.

Mr. S. Satyamurti : My Honourable friend said in an earlier answer that this department communicates all that information to the Government of India over the head of the Ministers. May I know whether part of the information is conveyed to the Ministers also and if so which part ?

The Honourable Mr. R. M. Maxwell : I have answered that question.

Mr. Manu Subedar : Is it one of the functions of these central intelligence officers to report on the Ministers to the Provincial Governors ?

The Honourable Mr. R. M. Maxwell : I answered that question in the negative.

SETTING UP OF A SEPARATE GOVERNOR GENERAL'S SECRETARIAT.

604. ***Sardar Mangal Singh** : Will the Honourable the Home Member please state :

- (a) whether there is any proposal to set up a separate Governor General's Secretariat ;
- (b) if the answer to part (a) be in the affirmative, when the separate Secretariat for this purpose will be set up ;
- (c) whether there would be any increase in the expenditure over and above the present amount ; if so, by what amount ; and
- (d) how the personnel will be selected ?

The Honourable Mr. R. M. Maxwell : (a) to (d). The Governor General's Secretariat has been in existence as a separate organisation since the 1st April, 1937. In so far, however, as any part of its work has been performed in a separate capacity by officers of the Government of India Secretariat I understand that this arrangement will shortly cease and that the duties will, in future, be carried on only by separate staff appointed by the Governor General in this discretion under section 305 of the Government of India Act. Since the appointments and other arrangements to be made under this section are not the concern of the Governor General in Council, I am not in a position to answer questions of detail on the subject.

Mr. M. Ananthasayanam Ayyangar : To what extent has there been a reduction in the expenditure in the Secretariat on account of the formation of this separate department ?

The Honourable Mr. R. M. Maxwell : These changes have not yet come into effect.

Mr. S. Satyamurti : May I know whether there is any proposal to appoint an Additional Secretary, in addition to the Private Secretary to the Governor General and, whether the Home Department is going to be deprived of the valuable services of Mr. Thorne ?

The Honourable Mr. R. M. Maxwell : I am not able to give answers about questions of detail concerning the Governor General's end of the business. I can only speak for the Government of India end.

Mr. S. Satyamurti : Is the Home Department going to be deprived of the valuable services of its Secretary ?

(No answer.)

AGREEMENT BETWEEN THE CENTRAL GOVERNMENT AND THE SIND GOVERNMENT ABOUT SUKKUR BARRAGE.

605. ***Mr. Nabi Baksh Illahi Baksh Bhutto** : (a) Will the Honourable the Finance Member please state the financial terms of the agreement between the Central Government and the Sindh Government about Sukkur barrage ?

(b) Are Government aware of the fact that there is a large deposit of silt at Head-work which reduces the quantity of water in the canals ?

(c) Will Government receive the instalments fixed in the agreement, even if the canal revenue is diminished on account of silt deposit ?

The Honourable Sir James Grigg : (a) The debt due by the Government of Sind on the 31st March, 1937, to the Government of India, on account of the Lloyd Barrage will, up to the 31st March, 1942, bear interest at the rates in force on the 31st March, 1937, and, thereafter, at $4\frac{1}{2}$ per cent. The whole debt is then repayable on a decremental scale over a period of 40 years commencing with the year 1942-43.

(b) This is a matter for the Sind Government.

(c) The Government of India have no reason to believe that these circumstances will arise.

Dr. Sir Ziauddin Ahmad : What is the answer to the last part ?

The Honourable Sir James Grigg : "The Government of India have no reason to believe that these circumstances will arise".

Mr. Lalchand Navalrai : May I know what steps the Government of Sind have taken with regard to these floods ?

The Honourable Sir James Grigg : The Honourable Member should address that question to the Government of Sind.

Mr. Lalchand Navalrai : I am asking whether the Government of India are in possession of any information, because the money has to be paid to the Government of India and they have an interest in it.

The Honourable Sir James Grigg : The Governor General in Council has no concern with the actual administration of the Sind Barrage.

Dr. Sir Ziauddin Ahmad : May I know whether the Government of India have got any information about the deposit of silt at the head-works of this barrage, with the result that the quantity of water is diminished ?

The Honourable Sir James Grigg : I said that this is a matter for the Government of Sind.

Mr. Lalchand Navalrai : May I know from the Honourable Member if the money that has to be paid to the Government of India has not to come from the Government of Sind. Will the Government force the money out of them even if the Barrage does not fructify ?

The Honourable Sir James Grigg : The Honourable Member asked a question about the administration of the Barrage, which is a matter for the Government of Sind. The question of the debt due from the Government of Sind is another matter. The terms have been finally arranged.

Mr. Lalchand Navalrai : If the Barrage gets damaged, will the Government of India go to the help of Sind Government or not ?

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

Prof. N. G. Ranga : Are we to understand that the terms of this agreement should be carried out irrespective of the special economic conditions of that province in any particular year ?

The Honourable Sir James Grigg : I can only reply to the Honourable Member that they hired the money.

GERMAN NAZI PROPAGANDA CARRIED ON IN INDIA.

606. *Mr. Mohan Lal Saksena : Will the Honourable the Home Member be pleased to state :

- (a) if his attention has been drawn to the activities of Dr. Urchs, a Nazi Leader, as published in the *Bombay Sentinel*, dated the 6th July, 1938, and to another article published in its issue of the 15th July, under the caption " Matter for Government enquiry " ;
- (b) if so, did Government make any enquiry and if so, with what result ;
- (c) what business or profession, if any, has Dr. Oswald Urchs been following ;
- (d) whether Government are aware that German Nazi propaganda is being carried on in India ;
- (e) whether the Nazi Party has any branch organisation in India known as the " Ausland's organisation " ?

The Honourable Mr. R. M. Maxwell : (a) I have read the articles.

(b), (d) and (e). I am not at present in a position to give any information.

(c) Dr. Urchs is the Manager, " Bayer ", Haverro Trading Company, Ltd., Commercial House, Ballard Estate, Bombay.

Mr. S. Satyamurti : May I know if Government are carrying on any enquiries in the matter at all ?

The Honourable Mr. R. M. Maxwell : I am not in a position to give any information at the moment. It would not be in the public interest.

Mr. S. Satyamurti : I am not asking about the results of the inquiry. The Honourable Member said that he is not in a position to give any information at the moment. Being a confiding person, I take it that he meant to convey some information later on. I am merely asking whether the Government are pursuing this matter by means of an inquiry.

The Honourable Mr. R. M. Maxwell : I am afraid it would not be in the public interest to give any indication as to whether there is any inquiry going on or not in this matter.

Mr. S. Satyamurti : What is the answer to clause (d) ?

The Honourable Mr. R. M. Maxwell : That would be the same answer. I cannot answer it in the public interest.

Mr. Badri Dutt Pande : I put the question on behalf of Mr. Sri Prakasa.

Mr. President (The Honourable Sir Abdur Rahim) : I will not in future accept authorisation of more than one Honourable Member to put questions on behalf of another Honourable Member. Mr. Pande.

CENSORSHIP OF THE POST OF INDIVIDUALS IN THE PROVINCES.

607. ***Mr. Badri Dutt Pande** (on behalf of Mr. Sri Prakasa) : Will the Honourable the Home Member state :

- (a) if it is a fact that in those Governors' Provinces where the Provincial Government have withdrawn censorship on the post, special officers of the Central Government have been posted at particular post and Railway Mail Service offices to censor the post of particular individuals ; and
- (b) if it is a fact that the post of even some of the Ministers in some Provinces is subject to censorship by the officers of the Central Government ?

The Honourable Mr. R. M. Maxwell : (a) and (b). It is contrary to the public interest to give any information of the kind asked for.

ALLEGED REPRESSIVE POLICY OF GOVERNMENT IN DELHI.

608. ***Mr. Satya Narayan Sinha :** (a) Has the attention of the Honourable the Home Member been drawn to the news in the *Arjun* of Delhi, dated the 10th August, 1938, under the caption—“ Delhi District Congress Committee has been granted permission by All-India Congress Committee to start civil disobedience in Delhi ” ?

(b) Are Government prepared to abandon their repressive policy in Delhi ? If not, why not ?

The Honourable Mr. R. M. Maxwell : (a) I have seen the article referred to by the Honourable Member.

(b) Government are satisfied that the Delhi Administration has not adopted any unduly repressive policy.

DECLARATION OF BANNU CITY OUT OF BOUNDS FOR TROOPS.

609. ***Mr. Abdul Qaiyum :** Will the Defence Secretary please state :

- (a) whether Bannu city was declared out of bounds for troops on the 26th January, 1938, and also on the previous and subsequent days ; and
- (b) the reasons why this step was taken ?

Mr. C. M. G. Ogilvie : (a) and (b). Bannu city was placed out of bounds to troops from the 15th December, 1937, to 18th March, 1938, on account of small-pox. It was also placed out of bounds to troops on account of cholera on the 28th May, 1938, and is still out of bounds on that account.

Mr. Abdul Qaiyum : May I know if it is not a fact that on that particular date it was declared out of bounds because the President of the Indian National Congress was delivering a lecture in the city ?

Mr. C. M. G. Ogilvie : Cholera was the reason I gave.

ELECTIONS AND PROVISION OF CERTAIN AMENITIES IN CANTONMENTS.

610. ***Mr. Abdul Qaiyum :** Will the Defence Secretary please state :

- (a) whether there are still cantonments in India where Boards have not been formed and elections have not been held according to the Cantonments (Amending) Act, 1936 ;
- (b) if so, the reasons for the delay ;
- (c) whether any executive powers have been delegated to the elected Vice-Presidents of the Cantonment Boards in matters touching the civilian population ;
- (d) what is the policy of Government in the matter referred to in part (c), and the reasons therefor ;
- (e) whether free compulsory education has been introduced in any Cantonment in India ; if not, why not ;
- (f) whether in spite of the unanimous recommendation of the Lahore Cantonment Board and the Brigade Commander, the Government of India persists that certain areas should not be included in the Bazar area ; and
- (g) whether certain areas which should form part of Bazar areas have been excluded therefrom ?

Mr. C. M. G. Ogilvie : As regards (a) and (b), the attention of the Honourable Member is invited to the replies I gave to Mr. Mohan Lal Saksena's starred question No. 362 and as regards (c) and (d) to part (c) of starred question No. 364 on the 22nd August, 1938.

(e) None. Introduction, however, is at the discretion of Boards, who have up to the present been deterred by financial considerations.

(f) The attention of the Honourable Member is invited to my reply to Mr. Sham Lal's starred question No. 240, dated the 16th August, 1938.

(g) No.

Mr. Abdul Qaiyum : With reference to the answer to part (c) of the question, may I know whether Government have invested these elected gentlemen with any powers, and what is the policy of the Government with respect to these gentlemen ?

Mr. C. M. G. Ogilvie : That is fully stated in the answer to question No. 364.

FUNCTIONS OF THE BAZAR COMMITTEES.

611. ***Mr. Abdul Qaiyum :** (a) Will the Defence Secretary please state the functions of the Bazar Committees ?

(b) Is it intended to extend their powers ?

Mr. C. M. G. Ogilvie : (a) The attention of the Honourable Member is invited to the reply given on the 22nd August last to part (f) of starred question No. 364 asked by Mr. Mohan Lal Saksena.

(b) No.

Mr. Abdul Qaiyum : With reference to the answer to part (a) of the question, will the Honourable Member tell this House what particular powers have been assigned to these Bazar Committees ?

Mr. C. M. G. Ogilvie : The House was fully informed in part (f) of starred question No. 364.

DESIRABILITY OF HAVING ELECTED CANTONMENT BOARDS.

612. ***Mr. Abdul Qaiyum :** Will the Defence Secretary please state :

- (a) whether practically all the income of the Cantonment Boards comes out of the pocket of the civilians ;
- (b) whether Government are considering the desirability of having a completely elected board with an elected president ; and
- (c) the policy of Government about part (b) and the reasons for it ?

Mr. C. M. G. Ogilvie : (a) and (b). No.

(c) I refer the Honourable Member to my predecessor's speech in this House on the 7th September, 1936, on clause 4 of the Cantonments (Amendment) Bill.

Mr. Abdul Qaiyum : With reference to the answer to part (c) of the question, may I inform the Honourable Member that I was not in the House at that time. May I know what is the policy of the Government in this matter ?

Mr. C. M. G. Ogilvie : The policy of Government is exactly the same as that enunciated by my predecessor, which I commend to the Honourable Member's attention.

Mr. Abdul Qaiyum : Could not the Honourable Member give us a gist or substance of that ?

Mr. C. M. G. Ogilvie : It is a long speech.

ADVERTISEMENT INVITING APPLICATIONS FOR EUROPEAN SUB-LIEUTENANTS IN THE EXECUTIVE BRANCH OF THE ROYAL INDIAN NAVY.

613. ***Mr. K. Santhanam :** Will the Defence Secretary be pleased to state :

- (a) whether an advertisement appeared in *The Journal of Commerce and Shipping Telegraph* in December, 1937, inviting applications for two European Sub-Lieutenants in the Executive Branch of the Royal Indian Navy ;
- (b) whether the qualifications prescribed for such applicants was that they should possess a Board of Trade Second Mate's Certificate or above ;

- (c) whether a similar advertisement was made in India ;
- (d) why the selection was limited to Europeans ;
- (e) whether officers of the Indian Mercantile Marine, possessing the Second Mate's Certificate and above, were given equal facilities for entering the Royal Indian Navy ;
- (f) how many *Dufferin* ex-Cadets there are who possess such Certificates ; and
- (g) if there are a sufficient number of qualified ex-Cadets available, what the necessity was for recruiting officers from the British Mercantile Marine ?

Mr. C. M. G. Ogilvie : (a) I have no information on this point. If such an advertisement did appear, it was presumably inserted by the Secretary of State for India.

(b) If such an advertisement appeared, a Board of Trade Second Mate's Certificate would certainly be one of the qualifications required but the possession of a Royal Naval Reserve Commission is an equally essential qualification.

(c) No.

(d) and (e). The selection was confined to Europeans to fill vacancies in the European quota of the Royal Indian Navy.

(f) 90 former "*Dufferin*" cadets possess second Mate's certificates.

(g) To fill vacancies in the quota of British officers. It should also be noted that the *ex*-cadets of the "*Dufferin*" concerned are not qualified.

Mr. K. Santhanam : May I know whether the Secretary of State does not inform the Government of India whether he is making any advertisements for posts to be filled in India ?

Mr. C. M. G. Ogilvie : The Secretary of State does not inform us in which periodicals he inserts his advertisements.

Mr. M. Ananthasayanam Ayyangar : Are additional posts being advertised ? May we know if there are any vacancies for which these advertisements have been made or to fill up which these advertisements have been made, or are these two new posts ?

Mr. C. M. G. Ogilvie : No, they are not new posts.

Mr. M. Ananthasayanam Ayyangar : If they are not new posts, what are the steps that the Government of India have taken ? Did they write to the Secretary of State to call for advertisements for applications ?

Mr. C. M. G. Ogilvie : Certainly, yes.

Mr. T. S. Avinashilingam Chettiar : With reference to the answer to part (d) of the question, may I know what the quota is ?

Mr. C. M. G. Ogilvie : The quota is two British officers to one Indian.

Mr. T. S. Avinashilingam Chettiar : May I know whether that quota, two to one, fixes the maximum for Indians or the minimum for Indians ?

Mr. C. M. G. Ogilvie : The quota is two to one—I cannot say more than that.

Mr. T. S. Avinashilingam Chettiar : Does the quota of “two to one” mean that there can never be more than one Indian to two Europeans?

Mr. C. M. G. Ogilvie : It certainly does not mean that; it means that at present two Europeans are appointed to one Indian.

Mr. K. Santhanam : May I know whether there is a reserve of naval officers in India to which Indians will be admitted?

Mr. C. M. G. Ogilvie : There is not at present, but legislation on the subject is now being prepared.

Mr. T. S. Avinashilingam Chettiar : In view of the fact that qualified people are available in this country, may I ask why the Government insist upon having two Europeans?

Mr. C. M. G. Ogilvie : One answer is that qualified people are not available, and another answer is that the vacancies which we offer at present we cannot fill.

Mr. T. S. Avinashilingam Chettiar : May I take it that as and when Indians are available, this quota will not be stuck to and they will appoint Indians even when there are more Indians than what the quota has prescribed?

Mr. C. M. G. Ogilvie : That seems to me an entirely hypothetical question.

POLITICAL STATUS OF COORG.

614. ***Mr. M. Ananthasayanam Ayyangar** (on behalf of **Mr. C. N. Muthuranga Mudaliar**) : Will the Honourable the Home Member be pleased to state :

- (a) whether Government have considered, or are considering, the future political status of Coorg ;
- (b) whether the matter has been examined ;
- (c) whether it is the intention of Government to hand over Coorg to Mysore Durbar, or amalgamate it with Madras ; and
- (d) when Government propose to come to a conclusion on this matter ?

The Honourable Mr. R. M. Maxwell : (a), (b) and (c). I do not exactly know what the Honourable Member means by the term “political status” of Coorg. If he means to ask whether Coorg will be retained as a Chief Commissioner’s Province or amalgamated with the neighbouring province or State, I would invite his attention to the provisions of the Government of India Act, 1935, under which Coorg has been retained as a separate province. The Government of India have not considered any question of amalgamation of that province either with the province of Madras or with Mysore.

Mr. T. S. Avinashilingam Chettiar : May I know whether Government have received representations from people in Coorg that they want a status which every other province in British India enjoys ?

The Honourable Mr. R. M. Maxwell : I do not think that the Government of India have had any such representations direct.

Mr. S. Satyamurti : Are the Government of India aware that this is a deficit province, and that recently the Accountant General, Madras, went there to report upon the finances of Coorg, and may I know whether he has reported to the Government, and if so what the results of his investigation are ?

The Honourable Mr. R. M. Maxwell : If the Honourable Member will put down a question, I will endeavour to find out for him.

Mr. S. Satyamurti : May I know whether the Honourable Member is aware that this is a deficit province ?

The Honourable Mr. R. M. Maxwell : I am informed so, yes.

AGE-LIMIT FOR RECRUITMENT OF ASSISTANTS IN THE CENTRAL SECRETARIAT.

615. ***Mr. M. Ananthasayanam Ayyangar** (on behalf of Mr. C. N. Muthuranga Mudaliar) : Will the Honourable the Home Member be pleased to state :

- (a) whether it is a fact that the last examination for recruitment of Assistants to the Imperial Secretariat was held in July, 1937 ;
- (b) whether it is a fact that no examination will be held in 1938 and that the next examination is proposed to be held in or about July, 1939 ;
- (c) whether it is a fact that the new revised syllabus has been brought into force for the 1939 examination and that the age limit of candidates has been fixed at 22 years ;
- (d) whether it is a fact that the age limit has hitherto been 24 years ;
- (e) whether it is a fact that in the case of recruitment for the Third Division posts of the Imperial Secretariat, the age limit is proposed to be lowered gradually, until the prescribed age limit of 19 will come into operation only in 1941 or thereabouts ; and
- (f) whether Government propose to consider the advisability of adopting a similar procedure in the case of recruitment of Assistants also, so that the age limit of 22 years might come into operation in 1941 ?

The Honourable Mr. R. M. Maxwell : (a) to (d). Yes.

(e) and (f). I would invite the attention of the Honourable Member to the reply given by me on the 25th August, 1938, to parts (d) and (e) of Mr. Sham Lal's question No. 486.

**DEMOLITION OF THE TEMPLE OF SHANKAR MAHADEO IN THE QUEEN'S GARDEN.
DELHI.**

616. ***Bhai Parmas Nand :** (a) Will the Honourable the Home Member be pleased to state whether it is a fact that on one corner of the Queen's Garden at Delhi, there was a temple of Shankar Mahadeo, and that Baba Shyampuri was its keeper ?

(b) Is it a fact that the Delhi Municipality brought two criminal cases against the keeper, Baba Shyampuri, and both were dismissed on appeal ?

(c) Is it a fact that on a certain midnight, the Deputy Superintendent of Police, accompanied by a police party, came up and demolished the temple and took away the idol and other articles, such as bell, etc., which he found in that place ?

(d) Is it a fact that this sudden act of the police created a stir in the city, and that thousands of Hindus, who flocked to the place, were charged with *lathis* ?

(e) Are Government aware that unrest is spreading in Delhi, and the place is strictly guarded by the police ?

(f) What steps are Government going to take to allay this unrest ?

The Honourable Mr. R. M. Maxwell : (a) and (c). I understand that a civil suit has been filed for possession of the piece of land referred to in part (a). It would therefore not be proper for me to give any reply to these parts.

(b) One case of trespass was filed. It was heard by the City Bench of Honorary Magistrates. On appeal the case was remanded by the Additional District Magistrate for re-trial. After the second hearing there was again an appeal to the present Additional District Magistrate, who acquitted the accused.

(d) to (f). There was some disturbance, with considerable violence by the crowd. It is still necessary to maintain a police guard at the spot. The local authorities are doing everything in their power to restore tranquillity.

Mr. Lalchand Navalrai : Is the Honourable Member aware that the Chief Commissioner refused to abide by an agreed formula that was arrived at by a Committee of Hindus, Muhammadans and Sikhs ?

The Honourable Mr. R. M. Maxwell : No, Sir, I am not aware of that.

Mr. Lalchand Navalrai : May I know from the Honourable Member whether the Secretary of the Protection Committee has been arrested and there has been a full *Hartal* at Delhi ?

The Honourable Mr. R. M. Maxwell : Will the Honourable Member mention the name of the Secretary ?

Mr. Lalchand Navalrai : The name of the Secretary is Mr. Bias Dev, M.A.

The Honourable Mr. R. M. Maxwell : No, Sir, I am not aware of that.

Mr. Lalchand Navalrai : Does the Honourable Member know how many *Jathas* have been arrested so far ?

The Honourable Mr. R. M. Maxwell : What does the Honourable Member mean by a *Jatha* ?

Mr. Lalchand Navalrai : A *Jatha* means a number of people protesting against the action of the Chief Commissioner. I think the Honourable Member knows what a *Jatha* is, because many *Jathas* have happened in India and have broken the heads of many people and got their heads broken too.

The Honourable Mr. R. M. Maxwell : I have no information of the recent arrest of any *Jathas*. I know that certain persons were arrested in the course of the disturbances in which the police were being stoned.

Maulana Zafar Ali Khan : May I ask whether the Government propose to restore the *Mandar* to the Hindus because the view of the Musalmans on this question is that no interference in the religious affairs of any community can be tolerated by us ? While I speak on behalf of the mosques, I also speak on behalf of the temples. This temple must be restored to the Hindus if the Government want peace.

The Honourable Mr. R. M. Maxwell : I have already said that the whole question is before the Civil Court.

(b) WRITTEN ANSWERS.

ARMY STATIONED ON THE NORTH-WEST FRONTIER.

617. ***Bhai Parma Nand :** (a) Will the Defence Secretary be pleased to state the proportional strength of the Army, both of the Indian and of the British, stationed on the North-West Frontier of India ?

(b) How much of the total military expenditure is made on the portion of the Army stationed on the North-West Frontier of India ?

(c) What is the distance between the Cantonment Area and Banna City ?

Mr. C. M. G. Ogilvie : (a) In the month of June, 1938, the percentages of British and Indian troops of the Army in India located in Peshawar, Kohat, Waziristan and Baluchistan districts, and in the Zhob Independent Brigade Area were 14.56 per cent. and 40.25 per cent., respectively.

(b) The Defence Services Estimates are not compiled regionally, but on the basis of the numbers of troops now stationed in the North-West Frontier, the approximate expenditure in that part of the country is estimated to be 22 per cent. of the total defence expenditure.

(c) Two furlongs.

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SUPPRESSION OF IMMORAL TRAFFIC IN WOMEN IN THE DELHI PROVINCE.

618. ***Mr. Satya Narayan Sinha** : Will the Honourable the Home Member please refer to starred question No. 791 of the 5th October, 1936, and state :

- (a) the number of cases registered, inquired into and punished under the Punjab Suppression of Immoral Traffic Act within Delhi Province, since 5th October, 1936, to date ;
- (b) the number of brothels, hotels and Ashrams within the locality, brought to the notice of the police within Delhi Province ; and
- (c) the name of persons keeping brothels, Ashrams and hotels where cases of immorality occurred since the 5th October, 1936, to date ?

The Honourable Mr. R. M. Maxwell : The information has been called for and will be supplied when available.

RETIREMENT OF GOVERNMENT SERVANTS AFTER TWENTY-FIVE YEARS' SERVICE.

619. ***Mr. N. V. Gadgil** : Will the Honourable the Finance Member be pleased to state :

- (a) whether he is aware that statements have appeared in the press recently that certain Provincial Governments are considering the question of retiring Government servants who have put in a qualifying service of 25 years ;
- (b) if so, which Governments have taken up the matter, and if any decisions have been reached in any of the Provincial Governments ;
- (c) whether the rules regarding retirement are the same for all Government servants in the Provincial Governments and in the Central Government ; and
- (d) if so, whether the question has been taken up in the Government of India, and any decision reached or likely to be reached and, if so, when ?

The Honourable Sir James Grigg : (a) and (b). The only suggestion of the sort which has come to my notice is a Resolution in the Bengal Assembly on the 24th instant.

(c) Not necessarily. Provincial Governments are at liberty to frame their own rules in respect of persons under their rule-making control.

(d) Does not arise.

RANCHI MENTAL HOSPITAL.

620. ***Babu Kailash Behari Lal** : Will the Honourable the Home Member be pleased to state :

- (a) if any contribution is given by the Government of India to the Indian section of the Ranchi Mental Hospital ;

- (b) if any contribution is given by any Provincial Government to the European section of the Ranchi Mental Hospital ;
- (c) if the answers to (a) and (b) above are in the affirmative, what is the proportion of contribution by the different Provincial Governments and the Government of India to the different sections of the Ranchi Mental Hospital ;
- (d) what is the total cost of the annual maintenance of the Ranchi Mental Hospital in (i) Indian section, and (ii) European section ; and
- (e) what is the total number of (i) Indian lunatics and (ii) European lunatics undergoing treatment in Ranchi Mental Hospital ?

The Honourable Mr. R. M. Maxwell : (a) and (b). There are two separate Mental Hospitals at Ranchi for Indian and European patients. The Government of India have nothing to do with the administration of the Hospital for Indian patients : and they make no contribution towards either Hospital.

(c) Does not arise.

(d) and (e). I cannot answer for the Hospital for Indian patients. The cost for the European Hospital in 1937 was Rs. 3,29,237. The number of patients in the European Hospital in that year was 275. Of these two were Indians.

CENTRES FOR THE FEDERAL PUBLIC SERVICE COMMISSION EXAMINATIONS.

621. ***Babu Kailash Behari Lal :** (a) Will the Honourable the Home Member be pleased to state what the centres are for the Federal Public Service Commission examinations ?

(b) Is it a fact that Patna is not yet a centre for the Federal Public Service Commission examinations ?

(c) Did any candidate from Bihar appear at the Federal Public Service Commission examinations held in different centres for the last two years ?

(d) What is the number of candidates from other Provinces and the number of candidates from Bihar who have appeared at the different examinations held during the last two years by the Federal Public Service Commission ?

The Honourable Mr. R. M. Maxwell : (a) and (b). The examinations for recruitment to the ministerial service of the Government of India are held at seven centres in India, viz., Allahabad, Bombay, Calcutta, Delhi, Lahore, Madras and Simla. The examination for recruitment to the Survey of India (Class II) is held at three centres, viz., Calcutta, Bangalore and Dehra Dun. The examination for recruitment to the Indian Police is held at various provincial centres (including Patna when there is a vacancy in Bihar). All other examinations are held at Delhi only.

(c) Yes.

(d) A statement is laid on the table.

Statement showing the number of candidates from various provinces, who appeared at the various examinations conducted by the Federal Public Service Commission in 1936.

(1936).

Name of Province.	I. C. S.	Audit, etc.	I. P.	I. M. A. etc.	Engineer- ing Services.	Survey of India.	Selection of Apprenti- ces.	Ministeri- al Service.	Total.
Bihar	9 (including Orissa).	10	20	1	1	1	23	III Dn. (No examination for I & II Divisions) 4 (including Orissa).	
Assam .. .. .	..	1	..	..	..	..	1	1	
Bengal	17	14	28	7	19	4	45	19	
Bombay	4 (including Sind).	4	13 (including Sind).	18	13	1	8	8 (including Sind.)	
Burma	8	1	8	11	4		2	1	

Central Provinces	4	7	..	7	2	..	6	4
Madras	37	36	4	10	33	8	53	37
North-West Frontier Province ..	1	2	..	13		1	3	7
Orissa	(included in Bihar).	1	4			..	4	..
Punjab	52	23	17	89	15	10	112	641
Sind	(included in Bombay).		(included in Bombay).	1	4		..	
United Provinces	45	40	13	31	12	14	92	315
Delhi and other centrally Administered Area.	6	4	..	4	4	2	24	106
Indian States .. ..	..	..	..	..	..	..	..	69
Total ..	183	143	107	192	107	41	373	1,311

Statement showing the number of candidates from various provinces, who appeared at the various examinations conducted by the Federal Public Service Commission in 1937.

(1937)

Name of Provinces.	I. C. S.	Audit, etc.	I. P.	I. M. A.	Engineer- ing Services.	Survey of India.	Selection of Apprentices.	Ministerial Service.		Total.
								I and II Divisions.	III Division.	
Bihar	11	8	9	4	3		17	29	11	
Assam	5	1	10		..		1	7	..	
Bengal	26	29	10	12	14	No Examination	30	204	17	
Bombay	11	7	10	14	5		1	28	5	
Burma	16	1	..	4	1		..			
Central Provinces ..	..2	4	10	7			6	5	..	

Madras	45	31	18	7	24		39	206	153
North-West Frontier Province		3		12	1		4	10	2
Orissa	4	1	3					10	..
Punjab	76	18		74	10		70	543	806
Sind	4	5		1	10	No examinations	3	8	2
United Provinces	57	28	32	34	10		75	336	627
Delhi and other Centrally Administered Areas for Ministerial Service ..	6	6		4	2		14	52	125
Indian States				..	..			108	50
Total	263	142	102	173	80		260	1,646	1,868

INSPECTION OF THE VIZAGAPATAM PORT BY CERTAIN MILITARY OFFICERS.

622. *Mr. K. S. Gupta : (a) Is the Defence Secretary aware that four military officers inspected the port of Vizagapatam about the middle of June, 1938 ?

(b) If so, what was the object of such a visit or inspection ?

(c) Is there any proposal to convert the harbour of Vizagapatam into a naval harbour, or an air base, as a measure of the East Coast Defence ? If so, when will it be taken up ?

(d) What is the expense for such a visit ? Is it met from the General Revenues, or debited to Defence account ?

Mr. C. M. G. Ogilvie : (a), (b) and (c). It is not in the public interest to reply to these parts of the question.

(d) The cost of all journeys, on duty, is regulated by travelling allowance rules and is met from the Defence Budget.

UNSTARRED QUESTIONS AND ANSWERS.

REVENUE AND EXPENDITURE UNDER CENTRAL HEADS IN CERTAIN DISTRICTS AND TALUKS.

16. Sri K. B. Jinaraja Hegde : Will the Honourable the Finance Member be pleased to place before the House a statement showing :

(a) the Revenue and Expenditure under Central heads in the following districts and Taluks for the financial years 1931 to 1938 :

Districts.	Taluks.
1. Belgaum.	1. Madagasira. (District Anathapur).
2. Bijapur.	2. Hosure. (District of Salem).
3. Dharwar.	3. Krishna Giri. (District of Salem).
4. North Kanara.	4. Kollegal. (District of Coimbatore).
5. South Kanara.	5. Sholapur. (District of Sholapur).
6. Bellary.	
7. Nilgiris.	
8. Coorg.	

(b) whether the Central Government have invested any amount on (i) irrigation and (ii) industrial projects in the nature of capital expenditure in any of the Districts or Taluks aforesaid ; and

(c) if so, how much and what is the nature of such debts, and what is the income from such investments ?

The Honourable Sir James Grigg : (a) I would refer the Honourable Member to the Finance and Revenue Accounts of the Government of India for information regarding Coorg. As regards the other districts and taluks, the information is not available.

- (b) These are provincial subjects.
- (c) Does not arise.

STAFF OF THE MILITARY ACCOUNTS DEPARTMENT.

17. **Sardar Mangal Singh** : With reference to his answer on the 15th September, 1937, to Mr. Sham Lal's starred question No. 537 (b), will the Honourable the Finance Member be pleased to furnish the following information :

- (a) the actual and sanctioned strength of officers (both superior and subordinate), clerks and accountants of the Military Accounts Department on 1st April each year from 1931 to 1938 ;
- (b) the total number of appointments of officers (both superior and subordinate), clerks and accountants of the Military Accounts Department that the Military Accountant General recommended to Government for abolition in 1932 in pursuance of the general economy campaign launched by the Government of India in that year ;
- (c) the total number of officers (both superior and subordinate), clerks and accountants who offered themselves for voluntary retrenchment and were actually retrenched under the special Retrenchment Rules of 1932 ; and
- (d) the sanctioned ratio that should exist between the superior and subordinate officers, clerks and accountants of the Military Accounts Department ?

The Honourable Sir James Grigg : (a) A statement containing the necessary information is placed on the table.

- (b) The answer to this question is as follows :

Superior Service Officers	..	6
Deputy Assistant Controllers of Military Accounts	..	12
Accountants and clerks	..	

While asking for Government sanction to the introduction of the various economy schemes, the Military Accountant General indicated the approximate number of appointments that were expected to be abolished in the event of the schemes proving a success after due trial. He was not in a position to give the exact number of appointments that could be abolished in any particular year. Authority was, therefore, given to the Military Accountant General in general terms to reduce appointments in the cadres of accountants and clerks as and when it was possible for him to do so. The

effect of the various schemes was spread over a number of years and the figures shown under the column "Actual strength" in the statement furnished in compliance with the Honourable Member's question at (a) above, indicate closely the number of appointments abolished from time to time.

(c) The Retrenchment Rules of 1932 were kept open in the Military Accounts Department upto the end of March, 1937. The number of men who volunteered to retire and whose offers were accepted are shown below :

	No. of men who volunteered for retirement.	No. of men whose offers for retirement were accepted.
Officers	8	8
Accountants and clerks	385	327

(d) No fixed ratio has been prescribed. The number of officers and men is determined according to actual requirements.

Statement showing the sanctioned and actual strength of officers (Superior Service and Subordinate) accountants and clerks of the Military Accounts Department on the various dates shown below.

Date.	Superior Service Officers.		D. A. Cs.		Accountants.		Clerks.	
	Sanctioned.	Actual.	Sanctioned.	Actual.	Sanctioned.	Actual.	Sanctioned.	Actual.
1st April 1931 ..	59	58	101	101	467	460	4,011	4,011
1st April 1932 ..	59	55	101	91	401	363	3,727	3,624
1st April 1933 ..	53	49	89	85	401	330	3,727	3,500
1st April 1934 ..	53	51	89	84	401	334	3,727	3,437
1st April 1935 ..	53	50	89	85	396	321	3,634	3,342
1st April 1936 ..	53	52	89	86	396	298	3,634	3,245
1st April 1937 ..	55	51	89	89	396	272	3,634	3,183
1st April 1938 ..	55	54	89	89	396	289	3,634	3,164

RESERVATION OF SEATS FOR MUSLIMS IN THE LEGISLATIVE COUNCIL AND DISTRICT BOARD OF COORG.

18. **Mr. H. A. Sathar H. Essak Sait** : Will the Honourable the Home Member be pleased to state :

- (a) whether Government are aware that there is not a single elected Muslim Member in the Coorg Legislative Council and the Coorg District Board ;
- (b) whether Government have received communications from representative associations in Coorg, urging upon Government the necessity of remedying this defect by introducing a separate electorate with reservation of seats for Mussalman in these two bodies ; and
- (c) what action Government have taken, or are intending to take in this matter ?

The Honourable Mr. R. M. Maxwell : (a) Yes.

(b) No.

(c) Does not arise.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE ON PILGRIMAGE TO THE HEDJAZ.

Mr. President (The Honourable Sir Abdur Rahim) : I have to inform
 12 NOON. the Assembly that upto 12 noon on Thursday, the 25th August, 1938, the time fixed for receiving nominations for the Standing Committee on Pilgrimage to the Hedjaz, four nominations were received, since then the candidature of two members has been withdrawn. As the number of candidates is now equal to the number of vacancies, I declare Khan Bahadur Shaikh Fazl-i-Haq Piracha and Maulvi Syed Murtuza Sahib Bahadur to be duly elected.

THE MOTOR VEHICLES BILL—*contd.*

Mr. President (The Honourable Sir Abdur Rahim) : The House will now resume consideration of the Motor Vehicles Bill.

Dr. Sir Ziauddin Ahmad (United Provinces Southern Divisions : Muhammadan Rural) : Sir, I was not very much enamoured by the Bill as it has emerged from the Select Committee and I will give my reasons. In the first place, the motor vehicle is in the third part of the Seventh Schedule of the Government of India Act and, therefore, it comes under the concurrent legislation. It comes within the purview of both the Central and the Provincial Governments. Now, in this particular Bill we have passed a number of provisions and left to the Local Governments to frame rules, which really means that the power has been transferred from the Legislature to the Executive of the Provincial Governments, and I hope that no non-official Member, especially my Congress friends, who have been protesting this all the time, will agree that the power of the Legislature in the provinces should not be curtailed and it should not be handed over to the Executive, which will be the necessary consequence

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if we pass the Bill as it now stands. The example of other countries was quoted by my Honourable friend, Mr. Mitchell, yesterday. I propose to take the case of the United States of America where the conditions are the same. The Federal Government there has not undertaken the legislation and I will quote from the book called the "Road and Rail in forty countries". On page 275, it is said :

"The United States Government has not established Federal regulations about motor transport. The operation of motor transport services is governed by the laws of the different States. The various State laws cover a wide variety of subjects : some only apply to passenger common carriers, others also include freight common carriers, while still others cover freight contract carriers. These regulations are mainly police and safety regulations. It is sufficient for the common carrier to obtain a certificate of public convenience and necessity, whereas contract carriers merely need permits to operate for hire. The system is in fact an exceedingly liberal one."

Mr. K. G. Mitchell (Government of India : Nominated Official) : May I ask the Honourable Member to give the date of the book from which he has quoted ?

Dr. Sir Ziauddin Ahmad : It is 1933.

Mr. K. G. Mitchell : As I said yesterday, our information is that federal legislation in the United States is under contemplation if it has not already been introduced, and this book is five years old.

Dr. Sir Ziauddin Ahmad : If any legislation has been undertaken during the last five years, I hope Mr. Mitchell will quote his authority from any book or document.

Then, Sir, the next point is that there is a vast contrast between this Motor Vehicles Bill and the Railway Bill which was laid before the Assembly two years ago. In the Railway Bill Government tried to regulate the actions of the passengers but, here, they are trying to regulate the actions of the drivers and the motor-owners. In the Railway Bill, we assumed that all the railway servants were angels and the position of the passengers was just the reverse. In the case of this Bill, we assume all the time that the passengers are all very good people, the persons who pass by the roads are not to blame at all for disregarding road traffic rules and the only persons whose actions are to be controlled are the drivers and the motor owners. Therefore, this is really the fundamental difference between the Railway Bill which was laid before the Assembly and the particular Bill now before us.

My next point is that no provision has been made for the damage done to the motor cars on account of bad roads. In every case the motor drivers and the motor-owners are to blame but in no case compensation is given to the motor-owners if any damage is done on account of the bad roads.

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : What about the damage to the roads by these bad motor cars ?

Dr. Sir Ziauddin Ahmad : My friend, as a representative of the Railway administration, ought to know well that no licence is given to any bad car, because the licence authorities will take good care that the lorries are changed after every three years.

My next point is that the railways, in every country, are a very powerful body and the Legislature is the only body which can safeguard the interests of the roads. Now, I would like to describe this Bill by giving a little story. I saw some time ago a portrait drawn up by an artist which he described as "The Beauty of the Poets".

"Shairon ke mashuk ki taswir."

A picture drawn up by an artist representing the ideal beauty of poets. Now, he took up one couplet from different poets and he depicted that portion of the body to which the couplet related. For example, in the case of the loin, he took up the couplet of Jurat which runs thus :

"Suna hai ki us pari ru ke kamar hai

Kahan hai, kis taraf hai aur kidhar hai."

This is a famous couplet of Jurat in which he has described the beauty of loin of his beloved. In this case the artist drew up two parts of the body connected by means of a geometrical invisible line. Otherwise the idea of the couplet would not be satisfied. In drawing other parts of the body the artist took up the couplets of other poets. Hips were drawn according to the famous couplet of Jami, in which he described the beauty of the hips of Zulaikha. Similarly, the artist took as his model the beauties describing the cheeks, eyes and other organs found in different couplets of different poets, and he produced a portrait which he called the ideal beauty according to the poets. Of course one particular couplet may be right in a particular place, but if you combine all the beauties together then it represents a picture most ugly and most ghastly. Anyone who wants to describe the ugliest picture of a ghost will certainly draw up a more beautiful picture than the one drawn up by the artist according to the poets' ideal of beauty. Similarly, with this Bill. This Bill is really the artist's portrait of ideal beauty of poets. They have taken one particular idea from one country, a second idea from another country and third idea from quite a different place and, in this way, the Government have produced this Bill which looks like a picture drawn by the artist to represent poets' beauty. They overlooked the safeguards and other restrictions which those countries had imposed.

In this Bill we have to consider the interests of three different categories. In the first place we must consider the interest of the railways. No doubt we have to consider the railways because they are our property in which we have invested 800 crores and we cannot do without them. The second thing is we cannot ignore the interest of these big motor companies. Both these persons are strong enough to look after their interests. In addition to these two interests, we have to consider a third interest, namely, the interest of the small investors, persons who have one or two lorries and who look after the lorries themselves. These are the persons who are not very well represented in this Legislature. They are not vocal. I should like to speak for these people who cannot speak for themselves. I hope that some Honourable Members would take up the interest of these small investors. One point which we should notice, particularly, is that these small lorries bring in a large amount of traffic to the railways. There is no doubt about this. They ply to the country places and they usually begin and terminate at the railway station and they bring in goods and passengers to the railways. Therefore, I submit that the existence of this class of lorries is not only necessary for the living of five lakhs of

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persons described by one of the Honourable Members on this side of the House, but is also necessary in the interests of the railway traffic itself I have taken great pains to draw up the budget of a private lorry and I wish that somebody either from the side of those who support the railways on the Congress side or from the Government side may find out the mistakes in these figures. A motor lorry costs Rs. 5,000. Interest charges at the rate of five per cent. is Rs. 21 per month. The rule of the authorities is that these buses should be changed every third year and, therefore, the depreciation comes to Rs. 125 per month.

Mr. K. G. Mitchell : The cost of most motor lorries chassis is about Rs. 3,000.

Mr. N. M. Joshi (Nominated Non-Official) : So the very first mistake has been found out.

Dr. Sir Ziauddin Ahmad : In the United Provinces, a motor lorry accommodating 20 passengers costing Rs. 3,000 will not get the license required. I assume that these lorries go a distance of only 25 miles. They run within the district, they go to a sub-division in the morning and come back again and thus they run 50 miles a day for 25 days a month and their working expenses come to about Rs. 175 a month. The pay of the driver is Rs. 50 a month, the pay of a cleaner is Rs. 20 a month, provincial tax is Rs. 6 a month, and gratuities, which are invisible expenditure as described by one of my Honourable friends, are Rs. 10 a month and thus, the total cost comes to Rs. 407 per mensem. On the income side, if we assume that they charge the same rate as the railways charge for third class passengers, which is very reasonable because those persons who travel in second class usually do not travel in motor lorries, then the income of a lorry-owner comes to Rs. 300 a month. I assume that a lorry with an average seating capacity of 20 will normally get only 16 passengers. On the calculations that I have given, there is a definite loss of Rs. 100 a month to the lorry-owner. In addition to this, if we provide for insurance, I do not know how far the bill will mount up. This point I shall discuss when we take up the amendments to the Bill. I challenge the Members to collect the profit and loss account of a private motor lorry-owner.

We ought to remember a few points in discussing the general question. First of all we must take into consideration the worries and the difficulties under which road traffic is labouring and the second point is the amount of contribution which the road traffic pays to the general revenues. The road traffic is handicapped more in India than in any other country. We do not manufacture motor cars, we buy motor cars and all the accessories from other countries and pay customs duty at the rate of 37½ per cent. *ad valorem*. We also pay abnormal charges as petrol tax as much as 10½ annas per gallon and also pay the penalty of petrol combine. The other thing which we have to take into consideration is the bad condition of the roads. The roads in India are much worse than the roads in any other civilised country. Besides we have not got really good workshops in small towns for the repair of motor cars. The workshops exist only in big places and the motor industry is very much handicapped for want of proper repair workshops at convenient centres. There is no law which provides for damages done to cars on account of bad roads. These are some of the difficulties under which the motor traffic in this

country is labouring. The second point is that the road traffic pays to the general revenues to the extent of about 7½ crores, in the shape of petrol duties, duties on motors and motor accessories. While the railways promised to pay us one per cent. of the capital at charge according to the convention of 1924, they have not been paying for the last five years. There is a standing debt amounting to over 30 crores still to be recovered from the railways and it is very doubtful whether this amount will be recovered from the railways. Therefore, we are not getting a substantial amount to the general revenues from the railways. I submit the House should bear in mind both these points in dealing with this Bill, *i.e.*, disabilities of road traffic and contributions to the general revenue.

In addition to these two points, we should also take into consideration the amount of traffic which the road transport brings to the railways. This particular point has not been worked out in great detail in India : how much traffic the roads give to the railways on account of traffic in petrol, in motor cars and accessories. This calculation was worked out by the United States and they found that there is a large amount of money coming to the railways on account of motor traffic. They said :

“ The motor car has brought a not inconsiderable increase of traffic to the railways. Directly or indirectly the motor industry has created a large amount of rail freight traffic. . . . The development of the highway system has necessitated the transport of stone, gravel, cement, and sand. The large quantities of petrol consumed annually have to be transported from the refineries to distributing points. The National Automobile Chamber of Commerce estimates that automotive freight of all kinds carried by the railways in 1931 aggregated 3,106,645 car-loads, or the equivalent of about one-eighth of all rail originating car-load traffic.”

So the amount of traffic which the roads give to the railways is not inconsiderable and I think this is a point which we should take into consideration.

Now, I come to the question of insurance. I think the idea of insurance is to provide, as far as possible, for risks to third parties and risks to passengers ; and I doubt very much if by means of insurance this can be avoided. This can be avoided by observing two points. In the first place we ought to regulate the maximum speed and thus collisions will be minimised. The second thing is that roads for fast services should be separated from roads for slow traffic as is done in the case of roads between Delhi and Shahdara and in several places in Gorakhpur and Basti districts and in certain other places. The separation of these roads will minimise the chances of injury. In most cases these accidents are caused by one motor car trying to overtake another to avoid the dust and, in doing so, it overlooks the passengers in front who are thus injured. By separating the roads the chances of such accidents will be minimised and, therefore, I do say that instead of laying too much stress on the policy of insurance we should emphasise these two points, *viz.*, maximum speed regulation and separation of roads of fast traffic from slow traffic. It has been partially done in the Schedule in the case of lorries but nothing has been done in the case of private cars.

Sir, I think this Bill could have been simplified by having four clauses only, the first clause dealing with drivers' licenses, the second with registration of cars, the third with the fixing of maximum speed and the fourth with the maximum weight. The maximum weight has to be put down in order that lorries may pass over bridges because, after

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all, roads are not spoiled so much by weight as by speed. Mr. Mitchell yesterday quoted some figures about motor cars in different countries and he came to the conclusion that the time has now come on account of competition that legislation should be undertaken at once. He gave the figures according to the numbers but I think that does not give true picture. We should not only know how many cars there are but also the number of cars per individual and the number of cars per road mile. I find that for 4.7 persons there is one car in the United States of America, for 20.6 persons there is one car in the United Kingdom and, in India, for 1.690 persons there is one car. If we take it according to mileage I find that there are 8.7 cars per mile in the United States of America, 12.5 in the United Kingdom, 7.5 in Germany while in British India it is .6 cars per mile. Therefore, the number of cars according to the mileage of the roads and according to the population is really the minimum here as compared with other countries. Therefore, his point that the time has now come to co-ordinate the rail-road competition which has become very keen does not hold good when we take the figures either on the population basis or on the mileage basis. Competition is not so keen in India as it is in other countries.

Mr. M. S. Aney (Berar : Non-Muhammadian) : What about the number of accidents ?

Dr. Sir Ziauddin Ahmad : Accidents can only be conveniently regulated if we separate roads for fast and slow traffic as is being done in several countries. But if *kankar* roads, which were designed for slow traffic, are used for fast traffic, and one car tries to overtake another in order to avoid dust, accidents are bound to occur. So, whether you insure cars or not, so long as the condition of roads remains as it is at present, and so long as people try to get out of the dust, these accidents will be unavoidable. Therefore, I take the root cause and do not take up the subsidiary problem ; and, therefore, we should better the roads and better the conditions of travelling, and then accidents will be averted.

Sir, in dealing with these rail and road problems I should like to quote a passage from Professor Copland, and this is the key and the basic principle on which the problem should be solved, and I hope the Honourable Member in charge and Mr. Mitchell will agree with these views. It is also quoted by Mr. Heath as the President of Australian Rail-Road Conference. It is a long passage, and I apologise to the House for reading it. He says :

“ It cannot be conceded that motor transport is to be forbidden merely because it takes traffic from the railways and therefore increases the railway deficit to be met out of the consolidated revenue. In some cases the maintenance of railway facilities might involve the community in a greater economic loss than would the increased taxation required to meet that portion of a railway deficit due to motor competition on some lines. . . . A mere prohibition of motor transport cannot be regarded as an economically sound course. By such action the community in effect ignores the advantages to be derived from a new form of mechanical transport. . . . Governments would not be serving the best interests of their communities if they sought to establish a complete railway monopoly for the purpose of reducing the burden of railway finance upon budgets. On the other hand, the claim of private transport interests that unrestricted competition should be allowed cannot be sustained. Where motor transport is not a common carrier and merely takes the cream of the traffic on favoured routes, it may return a handsome profit to the private owners. To suppose that the existence of such a profit indicates a net economic gain to the community involves a fundamental error. In this case, the profit may be less than the net loss to the community through the reduc-

tion of railway revenue on routes where the railways are forced to carry the less profitable freight. For handling some goods motor transport may have advantages over railways. Yet, taking the whole of the traffic for any area where this traffic is considerable, it cannot be conceded that motors would offer facilities equal to those of the railways. While this condition of affairs prevails, the State is justified in protecting its railway assets, and any inconvenience caused through the railway handling the goods most suitable for motor traffic is counteracted by the facilities offered by the railways on the whole of the traffic. Of course if the community can afford both forms of transport it would not be necessary to restrict motor competition in such a degree. In any event, the more bulky traffic should be sufficient to meet the overhead expenses of the railways, but in Australia, evidence has not yet been furnished to show that such a condition of affairs is possible. It is, therefore, necessary to regulate competition between road and rail transport by rationalising the services.

I think this is a passage which is really classical and affords a basis on which all questions about road and rail can be solved to the best advantage of the country.

There is one point which I should like to emphasise. In every country—United Kingdom, America or any other country—there have been two preliminary stages before they took up the stage of co-ordination of road and rail. The first step was to effect economy by amalgamation of smaller lines. The second step which all the railways took was the provision of facilities for both goods and passenger traffic. After these two stages had been satisfactorily solved, then they took up the third step, that is, the problem of co-ordination of road and rail. In India they have done nothing for the first stage : they have done nothing for the second stage ; yet they want to jump at once to the third stage of co-ordination between road and rail. I want to explain the position in some detail.

In the United States, sometime ago, there were 1,459 companies and they were linked together into 155 companies and divided into three groups. Afterwards, they provided facilities for passenger traffic and so on. I shall not read out all the facilities which they have given in various countries, but they may be divided under different headings : speeding of trains, introduction of short and light trains ; extension of office hours for consignment and delivery of goods ; door to door delivery ; agreement between rail and motor transport enterprises ; general reduction of tariffs ; facilities for passenger traffic by introducing week-end tickets, return tickets, round-trip tickets, collective tickets for school children and holiday excursions. In the United States the White House forced a reduction in passenger rates from three to two cents against the opposition of practically all the railway officials : the transportation officials called this action as confiscation and started appealing to the Supreme Court, but under pressure decided to give it a trial. Now, these trains are full and some of the competing bus routes have been abandoned. Then this reduction in freight has practically resulted in cutting out the competition altogether. More and more trains are now run. No general tariff reduction has been introduced in Great Britain, but the number of day return tickets has been increased and the period of week-end is extended. Great improvement has been introduced in the handling of goods. The railways have undertaken to collect goods and deliver them at destination. The use of containers has very much improved goods service.

I have said just now that in the United States they have amalgamated those various lines. The same has been done in the United Kingdom ;

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the Act of 1921 has reduced the number into four groups and they have succeeded in getting very good results by amalgamation. Then they improved the handling of goods and passengers—I need not read out the list now, but I shall discuss them later on when the opportunity arises. I should like to ask what has been done in India in connection with these two points? We have got at present 174 undertakings divided into fourteen categories. Is it not a fact that the Acworth Committee very strongly recommended that the smaller branch lines ought to be amalgamated and that we should have smaller groups? Is it not a fact that several commissions have recommended this grouping? But no action has been taken by the Government of India so far. Therefore, the first stage of amalgamation and the economies that can be effected by this change have not been adopted by the Government. Secondly, they have taken no action, no substantial action, in improving the comforts of passengers and in the process of handling the goods so that overhead and incidental charges may be minimised. If and when the Government had taken action on these first and second stages, which have been done in all other countries, then and then alone the time will come when they can come forward before the Legislature and say: "Now, we have done all that we can for the improvement of goods and passenger traffic and now the only way by which further economy can be effected is by co-ordination between rail and road". I say that this co-ordination ought to be carried out on the principles enunciated by Prof. Copland, which I read out just now, that is, that due regard ought to be paid to the requirements of both rail and road.

There is one more point which I should like to mention. A few years ago, I had the opportunity to discuss this question with one of the greatest experts of the League of Nations—Monsieur Hass—and he said that this question has now become very important and that it ought to be solved under three principles which he enunciated: I shall mention them and then we can judge the clauses of this Bill according to them. One is that private enterprise should not be stifled. I hope we all agree with that. (2) Motors should pay a proportionate cost of the road. Lastly, the legislature should not cripple free development of road traffic. Settlement should be obtained by mutual consent of road and rail. These are really the three important principles on which the whole thing should be settled; and if we follow these principles then it is quite possible that we may be able to solve this problem. But if we try to cripple road traffic for the benefit of other bigger companies or for the benefit of the railways we will not be doing real justice to the entire problem. You may clearly understand that the people who are really competing with the roads are these big motor companies: the smaller people who have got one car and run it at a place where the traffic is always available are not really competing with the railways: they bring in traffic to the railways from the countryside and they ought to be encouraged and their activities should not be wiped off altogether.

I would like to draw the attention of Mr. Mitchell to another point. I think he has taken up the wrong problem at the wrong time: the real problem in India is entirely different. There are a large number of villages in India which are practically shut off from civilisation for about six

months in the year on account of the rains—there is no means of communication for them to come to the civilised parts and there is no method for their products to be brought to the towns to be exported to the commercial centres. We have really to provide roads for these people in order to develop the country, and this should be taken up first. I would discuss this in detail at some other time. If you take any road extending for ten miles, if only ten bullock carts pass over that stretch of road then economically they will pay the interest charges and the cost of repairs of that ten miles road. Because if there are no roads whatsoever, then any bullock cart which goes at a distance of ten miles from a village to some other place will take practically eight hours, because a bullock cart cannot travel at a speed of more than $1\frac{1}{4}$ mile per hour, but, if there is a good road, then they can travel along the whole road and complete the traffic in one day and also return the same day, and, thus, they can save practically a full day if there is a good road between villages and the nearest commercial centre. If we take an average of ten miles distance between these two places, and if only ten carts pass by that particular road of ten miles, then the economic saving effected by the nation is just sufficient to meet the cost of repairs and interest charges....

An Honourable Member : What do you mean by interest charges ?

Dr. Sir Ziauddin Ahmad : The cost of road per mile is Rs. 5,000, and so we must calculate the interest on Rs. 5,000 and also the cost of repairs. These two should be taken together.

Now, Sir, if we really want to develop the country, if we really want to bring in a larger volume of traffic to the rails, then we should develop the roads from the villages which are now impassable. Nowadays money is very cheap. I calculated five per cent. interest, but now you can raise money at $2\frac{1}{2}$ per cent. Build these roads between the villages and the main centre of the population and also between the villages and the railway stations, and you will find that you will be rendering a great service to the country. Give up this idea of competition between rail and road. That affects to a very small extent, and I do not wish to lay much emphasis on it. But I should like to emphasise this fact that if you really want to improve the income of the railways, you ought to build up the roads, by devising a complete scheme for raising a loan we should build and develop roads between the remote villages to the railway centres so that goods may be brought in railway stations.

My friend referred to the British Act of 1933 in connection with the rail and road traffic, but may I just remind him that in this particular measure there are three parts. He mentioned only one part, and he took no notice whatever of the second and third parts. The first part of the Bill relates to motor licenses, and I think my friend has taken it into consideration. The second part relates to railway traffic, and my friend was silent about it, and the third part deals with the Transport Advisory Councils. We have at present a Road Advisory Council. We have also a nominal Advisory Committee for Railways, and it is really more conspicuous for not meeting than for meeting periodically, but really the Committee of the nature contemplated in the British Transport Act is absent in this Bill. Therefore, Sir, this part of the Bill is very much like the dream which a particular individual dreamt. A man dreamt that somebody gave him: a

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slap on his face and also a rupee. When he got up, then he saw the marks of slap on his face quite vividly, but the rupee was absent. So all the disadvantages of the British Transport Act are here, and the advantages are missing. With these words, Sir, I resume my seat.

Mr. A. Aikman (Bengal : European) : Mr. President, I do not consider it necessary, at this stage, to discuss the details of the Bill but merely wish to make a few general comments on the changes that have been made by the Select Committee and, for the sake of simplicity, I shall classify my comments chapter by chapter.

Chapter II appears to me to have been improved by the Select Committee inasmuch as the validation of existing licences, the provision of an appeal against orders refusing on medical grounds to grant a licence, the acceptance of driving certificates from recognised automobile associations and the provision for the issue of licences free from all endorsements, after three years, must definitely be regarded as improvements.

Chapter III calls for no comment at this stage and I pass straight to Chapter IV which is one of the two Chapters which lend themselves to general discussion. As the Bill originally stood the Regional Transport Authority was the centre of everything and a Provincial Transport Authority was a body which might or might not be set up at the discretion of the Provincial Government. We wholeheartedly support the re-orientation effected by the Select Committee, as a result of which the Provincial Transport Authority will be the focus of the whole scheme. In our view it is important to avoid over-fragmentation in transport administration, and the making of these Provincial Transport Authorities an essential part of the scheme thus appears to us most important. Constitutional considerations prevented centralisation from being carried beyond the Provincial stage but it is to be hoped that in regard to all important matters inter-Provincial conventions will be established so that the natural growth of road transport may not be hampered by any tendency towards Provincial isolation.

The changes made by the Select Committee in the functions of the Regional Transport Authority and the Provincial Transport Authority fall into a three-fold classification. (1) The Authorities have been relieved of what may be called considerations of high policy—they need not enter into the difficult question of road-rail competition but will concern themselves purely with the administration of road transport. We fully approve of this restriction and in view of this change we consider it right and proper that road and rail transport should not be represented on these Authorities but we feel, nevertheless, that the provision, which would exclude from them all persons having any financial interest however remote in a transport undertaking, is somewhat too rigid and requires modifications, possibly along the lines of the English Act.

(2) Connected with the change, just described, is the other change by which the Provincial and Regional Transport Authorities have been relieved of all responsibility for fixing fares or placing restrictions on long distance traffic. We regard this change as a very definite improve-

ment for the original provisions of the Bill might easily have resulted in the setting up of rigid inter-regional barriers and in the adoption of unsound theories regarding rail-road competition. Even as it is we feel that there is some danger of parochialism and we are of opinion that some mechanism must be devised which will remove all obstacles to through inter-Provincial transport.

(3) The third fundamental change implemented in Clause 42 empowers the Provincial Government to restrict long distance transport and to fix maximum and minimum fares. We have given this proposal very careful consideration and come to the conclusion that on the whole it is unwise. The Honourable Member in charge of the Bill expressed surprise, or was it regret, that we should have taken up this position. We do for the following reasons :

India is in an active state of industrial development today and we believe that cheap and efficient transportation is of paramount importance to her industrial progress. It is, therefore, most undesirable that Provinces should be allowed to place obstacles in the way of long distance transport and we should regard it as disastrous if one Province were to aim at preventing lorries from another Province from crossing its boundaries. Nor can we regard with equanimity the powers given to the Provinces under Clause 42 to fix maximum and minimum fares. In our view it is most important that in the earlier days of the transport industry in India, free competition should play its part for it is by the healthy process of competition alone that we can hope to see an efficient transport industry built up.

Mr. S. Satyamurti : But where is the industry ?

Mr. A. Aikman : It is being built up. In our view, it is only necessary for Government to insist upon conditions which make for the safety and convenience of the public and economic considerations should be left to determine fares and freights.

With reference to private carriers' permits we dislike the power given to the Regional Transport Authorities to conduct an inquisition into the business needs of applicants. How can any Regional Transport Authority form a reasonable opinion as to whether a particular business concern needs five or six lorries for carrying its own goods ? That surely must depend upon the policy of the particular business with regard to many matters, and is not a question to be determined by any outside authority.

The proposed restrictions on driving present a difficult problem. The 5½ hours limit for continuous driving is, undoubtedly, salutary but the 11 hours rest rule is more open to question. If as seems possible, it were to result on a concentration of the 11 hours permissible driving in, say a 12 hour period, the change might not be altogether good. The 54 hours rule, although sound in principle, may be difficult to enforce.

Two important changes have been made in Chapter VI. In the first place the imposition of a maximum speed limit appears to have been left to the discretion of the Provincial Government and, although the wording of the clause is somewhat obscure, it appears to mean that

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if no action is taken by Government there will be no speed limit. This does not seem sound and we should prefer the clause in its original form.

The other change in this Chapter is more salutary. The Bill, in its original form, imposed an axle weight of 9,000 lbs. and laden weight of 12,500 lbs. except where otherwise prescribed by Provincial Government. The imposition of laden weight restrictions seems to us entirely unscientific for the damage done to the road is determined not by the laden weight of a vehicle but by the axle weight. We see no need for restriction on laden weight, but if such restrictions are insisted on, the limit of 12,500 lbs., originally suggested, is far too low. It will take off the road many of the types of vehicles now plying and would make their pay load too small. Similarly, present experience shows that the axle weight limit of 9,000 lbs. is too low and would result in uneconomic loads. The limits defining a Heavy Transport Vehicle have been raised by the Select Committee to an axle weight of 10,600 lbs. and laden weight of 14,500 lbs. and to us this seems very sound.

The insurance Chapter is more a matter for detailed comment at the proper time than for general discussion but we deplore the change which leaves the Provinces free for an indefinite time to introduce or not to introduce the provisions of this Chapter. It seems to us most important that compulsory third party insurance should be introduced simultaneously in all the Provinces and at a not too distant date. The fact that India, in proportion to the number of vehicles plying, has the worst record in the world for the number of casualties resulting from motor accidents is not generally realised by the public but the figures which are to be found in the Report of the Motor Vehicles Insurance Committee are most striking and lead us to press strongly the adoption of compulsory third party insurance all over India within reasonable time.

Mr. Bhulabhai J. Desai (Bombay Northern Division : Non-Muhammadan Rural) : Selling insurance.

Mr. A. Aikman : I do not want any of that insurance. It does not pay. I want some other risk along with it.

It is perfectly easy today for a man with a small capital to acquire a motor vehicle. While a man with a very small capital indeed may be assisted by one of the credit finance companies, of which some I believe do not insist on third party insurance being covered but only on the protection of the vehicle, such a man may expend all his assets in a transaction of this kind, go out on the road in his vehicle and cause death or serious injury. A situation then arises in which the representative of the deceased or the injured person, as the case may be, finds that there are no assets whatsoever from which he can obtain compensation. This, I feel should be avoided.

We feel that the provision allowing the owner of a fleet of motor vehicles to make a deposit of one lakh of rupees instead of insuring his vehicles was quite sound and we should like to see it restored.

Speaking generally, it appears that the Bill meets many real needs and is on the whole deserving of support, but I cannot resist the feeling that it imposes too many conditions and restrictions which will make things difficult for the one man bus owner or the proprietor of single lorry. This is a matter which should be kept in mind during the discussion of the clauses.

Subject to these observations, I support the motion of the Bill to be taken into consideration.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions : Non-Muhammadian Rural) : I had no desire to take part in this debate, but since certain views have been expressed, I want to deal with only one point, namely, on the question of compulsory insurance. It is a matter on which much can be said on either side.

Sir, conceivably there are three possible views that can be taken on the question. One is the immediate introduction, another is rejection outright at the present moment, and the third is that the principle may be accepted but it should not be brought into operation until some time has been taken for trial and experiment. Although there are these three views, practically I should think that there are only two courses, namely, whether the system should be introduced immediately, or after some time, because I do not think that there is anybody in this House who does not think that a time will certainly come when compulsory insurance must be introduced. The whole question, therefore, is whether it should be introduced immediately, or after some time. That being the issue, I think its solution should not be difficult. The point I want to make is this. In view of the fact that the question is highly controversial and that there is a sharp difference of opinion between different classes of people and different parties—in view of the controversial character of the matter, let us follow the golden rule in such matters, namely, let the *status quo* be maintained for some time at all events. It is certainly a new change that is sought to be introduced. In view of these two facts, namely, that this is a new change and the matter is a highly controversial one, prudence should dictate that we should have it postponed for some time, accepting at the same time the principle of compulsory insurance in this Bill. In support of my contention, may I refer to the difference of opinion—merely because there is some opposition, that is no reason why it should be postponed, but if the opposition comes from very well informed quarters, from responsible quarters, then, certainly that is a matter worth considering. Now, Sir, I find from the Report of the Motor Vehicles Insurance Committee that as many as five Provincial Governments are against this system, namely, the Punjab, the United Provinces, Bihar, the North-West Frontier Province and Baluchistan. Surely the opinion of these five Provincial Governments is worth consideration. I find my friend, Mr. Chatterjee, is smiling, but let me say this that the members of the Committee say that compulsory insurance will not by itself reduce the number of accidents. We know that the whole foundation of the case for compulsory insurance rests on the number of accidents.

An Honourable Member : No.

Mr. Akhil Chandra Datta : You may agree with this view or not, but I say that the principal ground for this compulsory insurance is the number

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of accidents. (Voices : " No, no ".) There is no answer to that sort of " No ". I would only refer you to paragraph 73 of the report which says :

" The volume of road accidents in India, due to motor traffic....and the extreme difficulty experienced by the injured party in obtaining compensation are the two things which make out a very strong case for compulsory insurance."

Now, Sir, in the report on paragraph 57 which deals with the points raised by the United Provinces Government, this is what the Committee say : We agree that the number of motor vehicles is much smaller in India than in England where compulsory insurance was introduced in 1930 (to be more accurate in 1931). The question that arises is this : Have we compared the volume of traffic and the number of accidents in England in 1931 and the volume of traffic and the number of accidents in India in 1938. Except probably in spiritual matters, India is behind England by years and decades. Therefore if England could wait till 1931 for the introduction of this compulsory insurance, certainly India can wait for a few years, at least five years. I am prepared to have this introduced at once if all the laws that are in vogue in England are introduced here today. The Bihar Government lays stress on the absence of a popular demand for insurance. As regards the insurance companies, we find in this report that the principal insurers in India are not in favour of compulsory insurance. In paragraph 61, you find individuals or bodies representing the interests or owners of one or perhaps two public vehicles are generally opposed to compulsory insurance. Later on in the same paragraph, it is said : Opinion among individuals or companies running regular services is about evenly divided. Coming to another part of the non-official opinion, I shall refer you to the opinion of the chambers. Although there are more chambers in favour of this system, there are chambers against it. That is the opinion collected by the committee. Then coming to this House, we have heard many speeches and it cannot be denied that rightly or wrongly there is a volume of feeling in this House against the introduction of this system. My judgment on this subject is this. If it is so very controversial, if responsible bodies are against this, then it is only fair that some time should be given to the working of this new Act. Let us see whether the number of accidents is appreciably diminished or not on account of the proper working of the non-controversial provisions of this Bill. Let us wait for five years.

Pandit Lakshmi Kanta Maitra (Presidency Division : Non-Muhamadan Rural) : Why legislate five years in advance ?

Mr. Akhil Chandra Datta : That is exactly my point. If after working the Act for five years, it is found that the number of accidents is not diminished, then certainly that will be the proper time for the introduction of this system. I am stating a very uncontroversial proposition when I say.....

Mr. J. A. Mackeown (Government of India : Nominated Official) : No.

Mr. Akhil Chandra Datta : You have not heard what the proposition is, and, therefore, your " No " has no value. The proposition to which the Chief Whip of the Government says " No " is a proposition which was laid down in the original Bill, namely, that all

the provisions of the Bill would be introduced at once but that the provisions of Chapter VIII will not be introduced before five years have elapsed from the commencement of this Act. You cannot overlook the fundamental provisions. If, in any case, the Provincial Government wants to introduce it earlier, it can do it. But what was the general rule laid down in the original Bill, that it ought not to come into force for five years. Therefore, I do not think that the Government Whip was justified in saying "No" to that proposition. We find, Sir, that this principle has not yet been introduced in all other countries. As I have already stated, this principle was introduced in England in 1931. We find that so far as Czecho-Slovakia is concerned, it was introduced only in 1935. In New Zealand it was introduced in 1929. As regards Ireland I do not find the date here, I do not know myself when that Act was introduced in Ireland, and, from the tenor of the report, I should think there are many countries in Europe where that principle has not yet been introduced. It should be remembered that I am not for outright rejection of compulsory insurance; I am only pleading for the postponement of the operation of this part of the Bill for five years. After five years, all the Provincial Governments would be quite at liberty to introduce this, if, in the particular circumstances in each particular case, they so wish. Therefore, three possible courses are open to us. I am for adopting the middle course, the golden mean, *viz.*, do not introduce it immediately, nor reject it at once and summarily, but introduce it after five years.

Mr. M. Ananthasayanam Ayyangar (Madras ceded Districts and Chittoor : Non-Muhammadan Rural) : I take this opportunity to congratulate the European Group at the outset on the manner in which, without even protesting against Chapter IV of this Bill in the interests of their own trade, they have somehow induced our friends on this side to join hands with them. All the friends who have spoken upon co-ordination between rail and road transport have unwittingly and unconsciously played into the hands of the European Group. I would only request you, out of the numerous amendments that have been tabled, to look at the first amendment that stands for the deletion of clause 42. Out of the one hundred and thirty-six clauses in this Bill, 42 is the only clause which tries to regulate road and rail transport. When the Honourable Sir Thomas Stewart introduced the Bill during the last Session in this Assembly, the main object of this Bill was, and the justification for introducing it in this Assembly was, that whereas in respect of motor vehicles, if the Bill had to be confined in its scope and operation to co-ordinating the several forms of motor transport alone or introducing safety provisions for the purposes of motor transport, the Provincial Governments might have done it, the chief purpose for which this Bill was introduced is for the purpose of regulating road-rail transport. If that were not the object of the Bill, I do not think the Central Government would have taken the trouble to introduce this Bill in this Assembly. Therefore, the main point for consideration here and now is whether there ought to be this co-ordination between rail and road or not. Let us not avoid the issue or try to play into the hands of others. Let us squarely face this, and the one question you will have to consider presently is not whether under the guise of this Bill we are trying to stifle the motor industry but as to whether, without this Bill, we are going to allow the rail industry in this country to kill

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itself or to die a natural death sooner or later. That is the matter to which we have to address ourselves. Therefore, I am surprised that even some of my friends here have said that this is a wasteful asset and have taken exception to the introduction of the words "national asset" in clause 42. I will presently try to convince my Honourable friends that this is a really national asset and we are all affected by the manner in which that national asset is today administered.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member can continue his speech after Lunch.

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. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. M. Ananthasayanam Ayyangar : I was stating, Sir, when the House adjourned for Lunch, that much of the opposition to Chapter IV of the Bill was evoked by the present maladministration of the railways and that none of our friends really desire in their heart of hearts that the railways in the country ought to go down. There is an apprehension that if the motor traffic is curtailed or the advantages derived from the motor traffic are not allowed either to the trade or to the passenger traffic today, and corresponding benefits are not given or the amenities provided by the railway companies are not extended, then we will be enacting a piece of legislation much to our own detriment. That is the apprehension. It is true that a number of amenities are not being provided and the railways are not administered in the best interests of the country today. It has been so for a number of years and we do not know when a better administration is going to come. It is true that a larger number of trains are not running and the trains are not running more speedily. The rates have not been decreased even to allow the transport of goods from place to place with a view to improve industry and commerce. It is true also that the passenger rates have been going up and have not gone down, except in cases where there has been bus competition on roads parallel to the railway lines. These are various matters in which defects have been removed in various other countries and to which reference has been made by my Honourable friend, Seth Govind Das, and other Honourable Members have also referred to them. Before approaching a Legislature to impose restrictive measures on road traffic, the Government, which is in charge of the railways in this country, ought to have effected all the improvements that the public require and then they should have come to this Assembly, stating that in spite of providing so many facilities they are not able to make both ends meet on account of the cut-throat competition which is indulged in by the motor traffic. There have been repeated complaints that no concession has been shown by the railway in the case of cotton transport from Nagpur to Bombay, the transport of coal from one part of the country to the other, the transport of wheat from the Punjab to Karachi and other products from Coimbatore right

up to Northern India. The railway authorities have turned a deaf ear to all these requests. How can we be proud of our railway administration? It has been acting as a deadweight on the improvement of our trade and industry. This is really an unfortunate circumstance and even to this day there is no guarantee that the railways will improve. That is no doubt the present situation. I would ask my Honourable friends who have categorically referred to the inconveniences from which the trade and industry is suffering in this country at the hands of the railway administration to consider if, after the Select Committee's report and the way in which the original Bill has been modified, we have not improved the situation.

The Bill, as originally framed, wanted to entrust the entire power of controlling the road traffic to an authority which could be controlled by the Central Government. That has been taken away. Now, in place of that authority, the laying down of the policy has been entrusted to the Provincial Governments. I am not making a special plea for any of the Congress Governments which are now in power. They may or may not be there for long. I am pleading for all the Provincial Governments that may come into existence hereafter. I am glad that the power of regulating road and rail traffic has been taken away from the regional or provincial transport authorities and has been entrusted to the Provincial Governments. The Provincial Governments hereafter will certainly take more interest in the road transport than in the rail transport. I wondered how, having regard to the powers which the Provincial Governments will have under this dispensation, the Central Government, which is interested in protecting the rail transport, so easily succumbed or, at any rate, consented to have this modification made in the Select Committee.

Pandit Lakshmi Kanta Maitra : May I interrupt the Honourable Member? Does not the Honourable Member know that in the Road Fund Resolution there is a clause, definite and distinct, that if the Provincial Governments do not control the motor vehicles in the way in which the Central Government expects them to do, the Central contribution to the Provincial Governments may be withheld? If that is so, what option is left to the provincial transport authorities or to the Provincial Governments but to comply with the request of the Central Government and to shut down certain motor transport roads.

Mr. M. Ananthasayanam Ayyangar : I am aware of that. After all, it is a very small threat and may not be effectual. The withholding of a portion of the fund that might go to the Provincial Governments for the purpose of maintaining the trunk roads may not, after all, be effectual. The amount that is distributed to the various Provincial Governments is, after all, small. Now, let us consider the amount which each Provincial Government is getting from the motor traffic. I am at present thinking of the Madras Government, which gets nearly a crore of rupees a year from the transport services and it spends each year on the maintenance of roads to the tune of 2½ crores. Therefore, the Provincial Governments will, naturally, be interested in the increase of the motor traffic on their roads so as to make the department self-sufficient. They are now working at a deficit and the motor traffic is not contributing a pie towards the maintenance of the roads. Now, take the case of the railways. The railways have set up their own lines

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and not only met the original cost of the outlay but today the maintenance charges are also being borne by them, whereas the road traffic contributes only a small fraction which is not sufficient for the road maintenance, let alone the original outlay. It is not possible to judge what amount was originally spent on the roads that have been built in this country. If these roads are to be maintained properly, about Rs. 5,000 is to be spent on each mile. That is the amount that is being spent on the trunk roads in the provinces. Therefore my point is this that the threat of the Central Government to withhold a portion or a fraction of the roads contribution from the road fund from the provinces, in case they do not fix the maximum and minimum fares so as not to allow the motors to have an easy walk over or to impose any other obstruction to the railway earnings, is not really an effective threat. On the other hand, the Provincial Governments have got all the facilities to regulate the fares with a view to avoid competition with buses and also to see that no unnecessary competition is indulged in. There is a provision in clause 42 to this effect which, I am afraid, my Honourable friends have overlooked. In the earlier portion of clause 42 various considerations have been mentioned which are to be taken into account in laying down the policy of the Local Government. After all, the fares are fixed by the Provincial Governments. Power is given to the Provincial Governments to see that the maximum and minimum fares are not unduly harsh and also to see that they do not stifle the road traffic. They have got to be gone into at stated intervals of time. I am sure they will have to go into these fares after every six months. It is open to the industry to approach the Provincial Governments and lay before them their grievances. They can say that the fixing of the maximum and minimum fares or the prescribing of the particular route or the plying of motor buses on parallel lines or restricting the long distances or prescribing that 150 miles is the long distance for road traffic has been very detrimental to them. If the railways take advantage of these things, the Provincial Governments can always revise the maximum and minimum scales of fares and it is also open to the Provincial Governments to say that the long distance of 50 or 100 miles is too restrictive.

Then, Sir, if the railways are taking undue advantage of this, it is open to trade and industry to say or even a private carrier to come and say 100 or 50 is too small, and that it must be extended having regard to the trade centres in this province and claim that they should be extended to 200 or 300 miles irrespective of the question whether the railways are affected or not. The Provincial Governments are primarily interested in the road traffic. So, within six months or within a shorter time the Provincial Governments may alter schedule rates and may remove the restrictions imposed. That right is a very valuable acquisition and that is a good provision made by the Select Committee. Instead of quarrelling with the Members of the Select Committee, I think there is every reason for us to applaud the Honourable Members who sat on the Select Committee, particularly, my Honourable friend, Mr. Santhanam, who has come in for so much of criticism here for the provision made in Bill; if he is really the author of this provision, I have nothing but hearty congratulations for the way in which he has put it there. Persons might quarrel with section 42. We have to make up our mind one way

or the other, whether road-rail traffic ought to be co-ordinated or not. If they are against co-ordination, I have no quarrel with them. But let not my Honourable friend, Mr. Santhanam, come in for so much of undue criticism. He is not the author of that clause. No doubt he has removed all the inconveniences that might arise by the provision that originally existed in the Bill. I will show presently how, in various ways, my Honourable friend has carefully gone through the provision and tried to remove many inconveniences which would have arisen; to remove many provisions which could have been put in there to throttle the motor industry, if you call it an industry at all. These provisions have been carefully removed. I would refer to these points. A trade which is affected by the imposition of maximum and minimum fares should always approach the Provincial Government and lay its case before it. Within a period of six months or one year the Provincial Government, when requested, could revise the scales and the Government would be only too ready to do so for the reason that that Government gets nearly a crore from one province alone from the road traffic. Therefore, it would be more to the interest of the Provincial Government to try to come to the rescue of the road traffic than with respect to railways.

Now, I want to say a word with regard to the provinces and the Provincial Governments. Whatever be the complexion of the Government ruling over a province, whether a Congress or a non-Congress Government, they all want motor traffic.

Babu Baijnath Bajoria (Marwari Association : Indian Commerce) : I suggest, Sir, that a speedometer should be fixed for the speeches delivered in the House.

Mr. M. Ananthasayanam Ayyangar : I shall try to go more slowly. I am glad that my Honourable friend is dealing only in cars and he is not dealing with Members of the House. To that extent I am safe. Therefore, Sir, the one objection that we will be placing too much power in the hands of a transport authority or any other authority to make provisions, fixing maximum and minimum fares or to restrict long distance traffic or short distance traffic with a view to stifle this motor industry, that objection falls to the ground. The Provincial Government is there to look after the interests. As regards laying down of the policy, the question is if we agree to some extent that there should be this regulation of road-rail traffic, what is the authority to which this power has got to be entrusted? I have heard a number of speeches. My Honourable friends have criticised clause 42, but no Honourable Member has propounded any alternative scheme better than this. Nobody has suggested a better authority in whose hands this could be entrusted. I submit that under the circumstances, the Provincial Government is the best authority to be chosen. The Provincial Government cannot be easily tricked into doing something in favour of the railways merely because some amount of road fund could be withheld from the Provincial Government. The Provincial Government is also conscious of the limitations that we have in view of the Federal Railway Authority that might come into existence. Whenever a citizen is asked for his vote in favour of the Federal Railway Authority, he will say he has absolutely no control over the Federal Railway Authority. Therefore, the Provincial Government which is run by popular ministers, who have to seek the votes of the ordinary citizens, will always be chary of showing any undue

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preference to railways. Let it be Mr. Fazl-ul Huq's cabinet or Mr. Rajagopalachari's cabinet, or let it be the Government of the Punjab, no Government composed of Ministers, who have to depend upon the votes of the ordinary citizen for their seats in the Legislature, can afford, not to bear in mind this fact that the railways are not under our control, but that the roads are under our control and, therefore, they will always deal fairly with the road problem. We can depend upon it. The Provincial Governments will deal much more fairly than any other authority can do.

Dr. G. V. Deshmukh (Bombay City : Non-Muhammadan Urban) : If the Minister is promised a seat on the Federal Railway authority ?

Mr. M. Ananthasayanam Ayyangar : Then he would lose his seat on the ministry. My Honourable friend, Dr. Deshmukh, forgets the fact that no Member of the Legislature could become a Member of the Federal Railway Authority. To my mind no Minister would take up this job on the Federal Railway Authority and would be willing to lose his place in Bombay, Madras or anywhere.

Dr. G. V. Deshmukh : He will get more pay.

Mr. M. Ananthasayanam Ayyangar : I am not addressing those who will be tempted by more pay. I believe those who are administering a province as Ministers will have greater responsibility. If a Minister should choose to desert his Ministry and take up a job on the Federal Railway Authority, his successor can always change the policy of that Minister. He need not be kept there for five years. He can be turned out, if he misbehaves. Therefore, Sir, I will ask the House to look at clause 42 where you will find these two provisions. The authority is the Provincial Government which is entrusted with the power of revising from time to time. We have again a decided advantage. Hitherto, year after year, I have known my Leader and Deputy Leader, one after the other, after closely reasoned speeches, throwing away the railway budget. What have we been able to do ? Nothing. Hereafter, I am sure, by the provision made in this Bill, we are going to make the railways suppliant before the Provincial Governments. A small motor owner can go and stand before the Provincial Government and make his representation against the railway authority over which my Honourable friend, Mr. Clow, is presiding. Including the Honourable Mr. Clow, all railway authorities have to stand before the Provincial Governments and beg of them that because the railways are losing, the rates for motor traffic should be revised. I am, therefore, proud of this, that Mr. Santhanam was instrumental in putting all these provisions. All credit to him. As I submitted these are the two decided advantages.

Now, Sir, I will come to the preamble to clause 42. I have found that the preamble is artistically drawn up, scientifically items are put in, and nothing has been ignored. Let us not deceive ourselves into thinking that they are put in confusion. If road-rail transport ought to be co-ordinated, there you find a provision ; if motor industry is to be protected, there is provision there, if the general passenger is to be protected, there you find provision, and there is a general position also put in there. These are scientifically put in there one after another. But my Honourable friends

of the European Group want all these to be rolled into one. I find an amendment in the name of my Honourable friend, Mr. James. I find that he says that instead of these four—as if something is wrong with these—you must put in something else. He says that instead of this preamble, put in some other. Well, Sir, while I was in the reading room today, I heard a story from my Honourable friend, Mr. Chunder. It appears an Irishman went over to America and he asked a citizen there, "Is there any Government in charge of America". Then the reply was given, "Yes". Then the Irishman said, "Well, if there is a Government, I am against it". If somebody should say, yes, you must say we are against it. That is the sort of attitude which nobody could understand. I can only say, let us look at the provisions of the Bill dispassionately and see what best could be done under the circumstances.

I wish to say one word about wasting assets and wasteful assets, and which of these two, road or rail, can be called wasting or wasteful. If the one is wasting, the other is wasteful. Sir, my humble opinion is that the motor business of this country cannot be called motor industry. I have got a compendious phrase, this is dying and killing industry. The motor man kills himself and not only a number of passengers but also a number of persons who are not in the car.

Pandit Lakshmi Kanta Maitra : And what are the railways doing ?

Mr. M. Ananthasayanam Ayyangar : In human institutions there are some things which we cannot prevent and there is always a degree of danger. They are trying in various ways to avoid the extent of danger. The railways proceed on particular lines and accidents on railways are less common. No doubt when they occur they are more serious, but the accidents on roads are much more common. Of course, if my Honourable friend, Pandit Maitra, should become an engineer and devise some means whereby railway accidents can be avoided, to that extent he will be adding to the scientific knowledge of the world and also contributing to our growth. But, so far as human ingenuity has gone, they are trying to do their best. I have absolutely no brief for the Members opposite. They have not done their best in the purchase of engines and other things and they have shown absolute and culpable negligence. Nor am I going to take their place. I am only saying that no political considerations need be imported into this matter. I am viewing it solely as a matter as if we should set our own house in order. Eight hundred crores have been sunk in this that is a liability to this House. Another friend has told me, during the Lunch interval, that the assets are for us and the liabilities are for them, and if perchance we get independence we will repudiate those liabilities. Therefore, so far as the property is concerned we have got it here, and, so far as the liabilities are concerned, it is a matter of no consequence. And people forget that out of this 800 odd crores a large portion is by way of rupee capital. Out of 1,200 crores of the debt imposed on India,—I will not call it 'national' debt,—about 600 crores alone are in sterling securities and the rest is rupee debt. Therefore, if we avoid it, we will avoid a large portion which is due to ourselves. But that is not the main point. The point is that we have sunk so much on railways ; whether the Government as our agents have done it is another matter, but it is there. The number of men employed in railways is seven lakhs of men and the amount of salary.....

Pandit Lakshmi Kanta Maitra : In the motor industry it is six lakhs.

Mr. M. Ananthasayanam Ayyangar : I will come to that. We will see what the motor industry is capable of.

The salary paid to these seven lakhs of men comes to 36 crores of rupees. It is no doubt true that out of these seven lakhs of men about three thousand odd are Europeans who may take away about three crores of rupees. Per head they take away much more than we would think of giving them but that is another matter. Therefore, a sum of 33 crores is taken by coloured men like myself. Thus, 800 crores have been sunk there and about 33 crores are being paid as salaries. Let us come to the purchases made in India for railways. I find from the latest Administration Report that 13 crores of rupees are the value of purchases made for railway purposes. Out of this, five crores come from foreign countries as imported articles and eight and odd crores are the indigenous articles here. And even about these five crores, my Honourable friend, Mr. Satyamurti, told me that we would have limited these to indigenous purchases but for some recalcitrant companies whose contracts must, as soon as possible and as early as possible, be terminated. The Madras and Southern Mahratta Railway and the South Indian Railway, in spite of our best efforts, are making their purchases from foreign countries.

Mr. N. M. Joshi : And the contracts are extended.

Mr. M. Ananthasayanam Ayyangar : Yes, and my Honourable friend sitting by your side is trying to justify that. But, so far as the State Railways are concerned, I am sure that not less than 75 per cent. of their purchases are made of indigenous products. This is the third consideration that has to weigh with us. Lastly, on these 800 odd crores which we have sunk, the interest at three per cent. comes to about 24 crores and at $3\frac{1}{2}$ per cent. it comes to about 30 crores a year. We will assume that this railways may be scrapped but we have to pay 30 crores, year after year, and what shall we do if we don't earn it? So, Sir, it has to be seen whether, in spite of all these considerations, we are in a position to say that it is a wasteful asset or no asset at all. No doubt it is not an asset entirely in our hands. If exception is taken to that word possibly it can be removed and you can substitute the word "railways". I have no quarrel about that but why are we quarrelling with that which is really our due? I would, personally, be glad to call this a national asset as certain documents are written in advance so as to evidence title to some property in future. I shall then be able to ask the Honourable Member for Communications to get out of the management of our assets. Therefore, by their own showing they have said that it is a national asset and why should we avoid a piece of evidence that the railways are ours.

Let me come to the other valued asset in which hundreds of poor men are struggling, this dying and killing industry. Can you call it an industry? I would ask any Honourable Member of this House to say if this industry is able to produce one nut, one screw, one patch of rubber to close up a puncture or any other part? Even the tin becomes scrap iron and goes to Japan. And the life of this huge asset is three years, whereas the life of the railways is at least 30 or 40 years and there every kind of material is purchased here. Now let us see what is the number

of men engaged there. On the 31st March, 1937, the number of cars and taxis plying on several roads in India was 118,825 and the number of buses and lorries was 40,941. Then I will take the number of men. Cars and taxis do not engage more than one man and, as far as I know, no conductor is engaged either for a car or for a taxi. Therefore, 118,825 cars and taxis can only engage the same number of men, and as the buses and lorries can give employment to two persons each, the people employed by these 40,941 buses and lorries comes to about 81,000. Therefore, the total number of persons comes to about 199,000 odd and this is the huge number of men employed in this business.

An Honourable Member : What about engineers and men in the garages ?

Mr. M. Ananthasayanam Ayyangar : Garage has nothing to do with the staff and I have never seen a garage-keeper till now. It is idle to go on making much of a small stuff ; and I must say that the motor industry is no industry in this country.

Now, Sir, in the year 1936-37, 452 lakhs of good Indian money has gone away to foreign countries for the purchase of motor cars, the number of motor cars being 12,939 and the number of buses 9,160. On cycles inclusive we spent 480 lakhs in all. Then we come to rubber which comes to 211 lakhs. Then we come to mineral oils ; kerosene is also got into this country ; petrol, 91 million gallons are produced in this country ; for the rest, petrol and lubricating oils, paints and cylinders, etc., account for nearly 397 lakhs. So, in all, we purchase from foreign countries, every year, things of the value of nearly 10 crores and 94 lakhs. All this good money goes away.

Mr. N. C. Chunder (Calcutta : Non-Muhammadan Urban) : Do these figures include railway purchases ?

Mr. M. Ananthasayanam Ayyangar : No.

An Honourable Member : Is the railway an industry ?

Mr. M. Ananthasayanam Ayyangar : So far as the railways are concerned, except locomotives all the other parts are being manufactured in this country. All coaches, frames, wagons, permanent ways, are manufactured in this country and there is an ever increasing attempt to manufacture the rest ourselves. Unfortunately, in spite of our Resolution the Government have not accepted our request to open up a factory in this country for the manufacture of locomotives. Shall we quarrel with them on this account and say let all this asset of ours go to the dogs ? I am not one whit behind any of the other Members in throwing one more stone on the head of the Government if possible and trying to bring them round to our view, that all machines and engines should be produced in this country. There are enough opportunities to condemn the Government for their inaction in that direction. But, when we are getting 96 crores of income from the railways and when we are spending the major portion of it in this country—barring five crores spent on purchases outside and the three crores or so in the form of salaries we pay to our friends opposite who take that away to their country—the rest is being spent in this country. To that extent our industries are developed. A large number of men are engaged in the industry itself.

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Now, let us take the other industry. I have already submitted that
 3 P.M. in the so-called motor industry not more than two lakhs
 of men are engaged. Take petrol. From end to end
 of our country—in Assam, in the Punjab and in Burma—91 million
 gallons are being produced and ten million gallons is brought from outside.
 The profit on all this 91 million gallons goes into the pockets of the
 Burma-Shell. Mr. Manu Subedar, as the representative of the commercial
 community, wanted to elicit an answer as to the enormous profits which
 the Burma-Shell company was making at our expense, but the Honourable
 the Commerce Member refused to get the administration report of the com-
 pany. Have we got any influence in the administration of that company ?
 Do we get a pie out of it ? Have we not seen their rates fluctuating
 from time to time ? The moment some other competitor comes into the
 field their rates go down : the moment he is gone, the rates are increased.
 We have seen how every business connected with this motor transport is
 in the hands of the Europeans. Unless, therefore, we shut our eyes, we
 ought to make up our minds to see that our asset the railways is not
 killed. It is not my friend, Mr. Santhanam's Bill, nor my Bill ; but it is,
 unfortunately, a Bill in which we are also interested. Merely because we
 do not like this Government, if our policy should be that we should say
 'no' to everything that they may bring forward, I have absolutely no
 quarrel. On the other hand, in respect of certain things in which we are
 interested the Government also agrees with us ; and if it is not a crime to
 go with them, do not accuse us. All of us are jointly interested in pre-
 serving an asset which certainly has got all the potential tendencies of
 being an asset.

I will now come to one or two other matters. Particular objection
 has been taken to clause 42 and various amendments have been given in
 to nullify the effect of clause 42. Let me take one. Power has been
 conferred on Provincial Governments to restrict and regulate long dis-
 tance traffic on the road. Some of our friends want to know what 'long
 distance' means, and they say it means nothing less than three hundred
 miles. I would ask Honourable Members to sit in a car : and see how
 long they can stand it. I say, beyond two hours, it would be absolute
 imprisonment : no man would ordinarily like to stay in a car for more
 than two hours, or say, at the most for four hours. My friend, Mr.
 Chaudhuri, does not seem to have as much fat or muscle as I have. Even
 I, with that much padding, cannot put up with more than four hours
 journey. The speedometer may show 35 or even 40 miles, but taking the
 average at about 25 miles an hour it would work out to about 100 miles as
 the absolute long distance that a man can travel : 50 miles is normal, but
 100 miles maximum. A friend reminds me that this is not for passengers
 but for goods. As regards goods the case is even worse. Buses and
 lorries cause more havoc to the roads and to passengers than ordinary cars.
 When I had to come here I discharged my driver : that man, unfortunately,
 took service in a motor lorry and that fellow does not get a second's sleep
 in the night, and his life is pitiable. The lorry at least gets water when
 it is heated and it gets lubrication with oil regularly. This man gets
 neither water nor oil and he has to go on driving all night. I have seen
 this. If only my Honourable friend, Mr. Chaudhuri, takes the place of

the Honourable Member for Communications, he would not put up with this nuisance for one minute.

I know how the traffic is diverted from the railways. Just at the time when a train is due, perhaps five minutes before, the bus comes to the station—at many stations now the bus is not allowed to come near the station or into the compound—but where there are parallel roads these busmen wait and even when there are strong fellows like myself they try and drag us into their buses ; and if I protest, I am threatened saying “ Tomorrow per chance you may miss the train and you may depend on us for getting petrol on the way and so on ”. These are the ways by which they attract traffic all along the line : these buses ply five minutes in advance and five minutes later. I have witnessed this with my own eyes in my presidency ; I have found the railways much to their discomfort have reduced the passenger mile rate from four to two pies. Having regard to the overhead charges, I ask whether any railway administration can be run if charges are reduced like this. I say it cannot be run. I do not bother about the question of salaries so much ; we are earning 90 odd crores net after spending three crores odd upon the services : We spend this 90 crores not upon white men but upon various articles produced in our own country. No doubt, man for man, the salary of the European is more ; but as regards the general administration I would honestly say that if you reduce the passenger rate to two pies from four pies, you must close your shop and walk out. That is the present situation with the railways.

I know the bus competition is there : the busman is prepared to reduce his fare in his fight with the giant, the railway : he may even close his shop and get out : if he goes out, he goes out by himself or takes his family with him. But if the railway goes, hundreds of thousands of persons will have to close their doors. I know this competition is keen. Take the route from Chittoor to Tirupati a distance of 42 miles. In spite of all the calculations in the Mitchell-Kirkness Report their average charge for a 20-seater bus comes to four or five annas a mile : it may be a little more : but for four annas a person cannot get accommodation on the railway. The railway rates were reduced from one rupee to 12 annas ; but these men are prepared to come for 11 annas—I wonder how they get on. Some of them are my clients and I suppose, ultimately, it will end in insolvency proceedings for them. This is the way in which they are improperly engaging in this competition with the railways. There are only 13,000 miles of railway parallel to roads. Is it not necessary that this unhealthy and cut-throat competition should be stopped in the interests of the railways ?

I come now to the maximum and minimum fares. So far as maximum fares are concerned, all of us, without exception, agree with this. If there is no maximum fixed, the moment there is no competition, the bus people will raise the fare to any extent, from two pies per mile to even ten pies per mile. If there is a rival company they will reduce it ; otherwise, they will increase it. Therefore, Sir, it is in the interests of the passenger traffic,—and we have shed enough tears for the poor passenger,—we should see that the fares do not go up.

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Now, Sir, let us come to the minimum limit. Minimum limit is required for two reasons, and one is as against the bus competition itself. The bigger fish ought not to eat away the smaller fish. Therefore, to avoid unhealthy competition, among buses you must fix a minimum fare. The quarrel comes in only when the minimum fare is there in the interest of the railways also. One of the several considerations that is taken into account is the railway earnings also. Why is the poor Railway so much cursed or accused ? It is because some of our friends over there are not managing it properly. I hope to see my English friends leaving this country very soon, but I hope the Railways will go on for ever in our country. If there is extravagance, we shall come here and vote down every new proposal for expenditure, and we will show them by our reasoned arguments that we are not unreasonable people, as some people call us. After all, it is open to the Provincial Governments to fix maximum and minimum fares. Let our friends mark, it is not mandatory. I also gave notice of an amendment that the minimum need not be put there as I thought that if the maximum is there the minimum also should be there. But we find that the Provincial Governments can fix maximum and minimum,—which means they may or may not fix the fares. I assure you, Sir, I have enough confidence in our Provincial Ministers ; except where political considerations arise, these people lose their heads,—I am referring here to Ministers other than our own Ministers. In all other matters, I agree that Provincial Ministers cannot go wrong. Therefore, we are absolutely safe in the hands of the Provincial Governments, and this much of power can safely be entrusted to them. Therefore, I would request my friends to consider that the original rigour of the Bill has been, to a large extent, modified by the energies of all our friends in the Select Committee put together, and it is really a wonder to me as to how the Central Government and the Member in charge consented to such a modification. It has been made absolutely innocuous. I welcome, Sir, all the speeches that have been made. It has dumfounded the Government. I was afraid that if our friends had kept quiet, instead of the Provincial Governments, the Central Government would have got the power to regulate these fares. Now, they have not thought of it, because they are afraid that we will go back upon it and delete Chapter IV to that extent. Therefore, there is absolutely no question of any consideration for the so-called poor driver.

Now, Sir, there is one more point in this connection on which I should like to draw the attention of the House. Looking to the manner in which the traffic progresses in the world and the demands made for cheaper and more speedy methods of transport, I feel that the motor industry has come to stay in India. Any attempt to stifle it or kill it will not annihilate this industry. The only question is as the double bullock cart has been killed, the railway also should be allowed to be killed by the motor trade, and the only point for us to consider is how we can still keep the railways going. I would ask my friend, Mr. Som, if he would for one moment care to travel in a bus, say, from Howrah to Delhi. It will be absolutely nothing worse than hell. Railways are necessary for long distance traffic, and no country in the world, however advanced it may be in motor industry, has ever thought of abandoning the railways altogether. The United States

of America, which is much ahead of other countries in all industrial and other matters, have still Railways, and they will continue to have the Railways till the world's end. Railways will serve the same purpose for long distance traffic as the bullock carts used to for very short distances. It will be impossible for the Railways to maintain themselves on long distance traffic alone. To keep the Railways going,—I have worked out the figures,—short distance traffic is eminently necessary, otherwise the Railways will not be able to stand on their own legs, because the major portion of the traffic is short distance traffic. Sir, I was very anxious that the Grand Trunk Express should be speeded up. The Honourable Member for Communications said it would not be possible to do it except in the seasons when we come at State expense from Madras to Delhi. Short journeys are the more common, except a few of us who come straight, are there any others who make through journeys? In these circumstances, it is necessary that a restriction should be imposed on motor traffic restricting it to very short journeys, so as to not kill the railway industry. Therefore the point we have to consider is whether we should allow the railway industry, which is our own, to die in course of time. So far as the motor industry is concerned, as I have said already, it has come to stay. Hereafter not one mile of railway line will be increased. It will be imprudent to extend the Railways because they do not pay. In future there is considerable scope for the extension of motors. In these circumstances, there need be no apprehension that the motor industry will be killed. The only question is whether the Railways should be allowed to perish.

Now, Sir, I shall say only one word more about Chapter IV. I desire that the provincial transport authority must be allowed absolute powers to regulate inter-regional transport, but here, as the provision stands, it is optional. One regional authority gives a man a permit to ply his motors in one district, whereas if he wants to ply his motor in an adjoining district he has to obtain another permit from that other authority. It will be very tedious and cumbersome for the poor man to get all these permits and therefore the provincial transport authority might be given sole power to co-ordinate these things whenever one service is extended beyond one district.

Then, Sir, there is one provision here which says that the permit may extend for five years, and at the end of that period preference may be given to the man who has already been there for five years. I wonder why this should be so. Why should you give preference to the same person who has already been there for five years? In my humble opinion, the fact that a man has been in charge of a permit for five years is a distinct disqualification for getting his license renewed, because by competition the rates may come down, competitive rates may come in, and there will, thereby, be better facilities for the passengers. To avoid creating a monopoly like that, you should as far as possible not renew the license of the same man after five years.

Then, as regards fares, seasonal fares, return fares and other things can be fixed for motors under the Bill and no special provision need be made for these things there. Sir, Chapter IV has been very well drafted, —I am not giving a certificate to any of our friends, but to the best of my

[Mr. M. Ananthasayanam Ayyangar.]

ability and as far as I have been able to scan this Chapter, I must say it has been very well drafted.

Then, Sir, there is one more submission I should like to make regarding insurance. Here I would answer one question that was raised by my friend, Mr. Chatterjee. It is a question of law, as to whether the provision is legal or not. The provision made in the Select Committee was that it is open to the Provincial Governments through their Legislatures to introduce this provision relating to insurance as and when they like. Sir, insurance is a central subject, and the question is, whether it is open to the Provincial Legislatures to deal with it, or whether the Ministers should be made mere agents of the Central Government to carry on this part of the work. In this connection, I would ask my friend, Mr. Chatterjee, to refer to section 124, clause 2 of the Government of India Act of 1935. It says there that it is open to the Federal Legislature,—and we are now supposed to be a Federal Legislature,—to ask any authority, including the Provincial Ministers or any other authority, to pass any particular law or to carry out any of the provisions of the law passed by the Federal Legislature, and, therefore, my friend will see there will be absolutely no legal objection to this provision.

Next, Sir, you raised one difficulty,—I do not know whether it is parliamentary to refer to you when you are in the Chair,—but you said.....

Mr. Deputy President (Mr. Akhil Chandra Datta) : I do not mind.

Mr. M. Ananthasayanam Ayyangar : You said that the insurance chapter ought not to come into operation for five years or at all and that there was a wholesome provision made in the original Bill and that unfortunately in over-enthusiasm some of our friends introduced this new provision giving power to the Local Governments to put it into operation as and when they like. I would ask you to refer to the original Bill once again. The original Bill says, after five years it shall become compulsory. You do not want that it should be brought into operation at any time, and, say, let us wait, let us take our luck, let us take our chance ; it may come into operation or it may not. If you are in that mood, you will please support the recommendation of the Select Committee. If you vote for the original section in the Bill it will be obligatory upon us to introduce the provision at the end of five years. The Select Committee has made the provision that it is open to the Provincial Government to bring it into operation or not. From your standpoint you should choose the Select Committee Report. Another point is this. I am now answering the objections of those others who say that it is not now open under the Select Committee's Report whereas under the original Bill it was open to the Provincial Government, even within the period of five years, to introduce this chapter as and when it liked. It is open to the Provincial Government to delay it or not to bring it into operation, that is the objection, says the Honourable the Communications Member. He wants that at the end of a particular period it must come into force automatically. Another argument is that for the purpose of uniformity there must be a point of time fixed so that in all provinces it may come into operation at the same time. These are the two arguments on behalf of

the Government. I would answer them to the best of my ability. Even within the period of five years power was given to the Provincial Government to introduce this chapter if they chose. All that the amendment does is to leave it entirely to the good sense of the Provincial Government. We have evidence that the Bombay Government have introduced this insurance chapter even long before the introduction of this chapter in the Bill,—also in Sind, in Karachi, in the city of Bombay and in certain districts. Therefore, the general opinion is in favour of such a wholesome measure. That is not in the interests of trade, but that is in the interests of the passenger traffic and the general public. I am sure the Provincial Governments are in a much better position to judge as to when it is proper to bring this clause into operation. All the provinces are not of the same type ; there may be different considerations in different provinces. Therefore, leave it to the Provincial Governments, instead of fixing a five years' limit. Why should it be five years ? Why not seven years or three years ? Therefore, it is best to leave to each Provincial Government to find out if the time is propitious, if accidents are increasing in number, if all the safeguards that have been imposed have not worked properly—that will be the time for the Provincial Government to say that this chapter should be brought into operation. I think this meets the objection raised by my Honourable friend, Mr. Maitra, in his interruptions. Why should we legislate for five years ? At the end of five years the Federal Legislature will be here. Let there be no period of five years fixed. Let it stand as it is. Another objection is with respect to the second clause. So far as that is concerned, my Honourable friends would refer to that matter. In these circumstances, I commend this motion for consideration to the acceptance of the House.

Maulana Zafar Ali Khan (East Central Punjab : Muhammadan) : The impression is abroad that this Bill, in spite of the solicitude evinced by its sponsors for the welfare of that section of the public which prefers to travel by motor, is primarily intended to throttle the motor industry which is looked upon as the rival of the railways. This impression, in spite of the logic used by Mr. Ananthasayanam Ayyangar and other gentlemen of his way of thinking, still persists and has not been removed. This Bill speaks of the railways as the national asset of India. I should like to say a few words with regard to the nature of this asset.

Roughly speaking, 800 crores of rupees have been invested in the railway industry. Of these 800 crores, 600 crores has come from England as a loan and the balance of 200 crores may be looked upon as the share of India towards the capital outlay. Now, so far as the 600 crores is concerned, every pie in the shape of interest on that huge sum goes into the pockets of the British financiers. As regards the 200 crores, they are ours, but who is to manage all this ? Who is the trustee of this asset ? Not we, but the Railway Board, and the whole history of the Railway Board is an unbroken record of maladministration, playing ducks and drakes with public money and squandering away public money on schemes which were unworkable. That is their record. Towards the third decade of the present century, the Railway Board which was rolling in millions set apart one *arab* and 20 crores, that is, 120 crores for

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purchasing engines and rolling stock for the Indian railways. These engines and this rolling stock came from England and Germany, and later on, some mechanical genius in the Railway Board conceived the idea of designing engines to suit the requirements of India to be constructed in England under the supervision of Railway Board Experts. This brings us to the era of the notorious XB engines, with their history of innumerable accidents, of innumerable loss of property, loss of life and money. That was the history of the trusteeship of the Railway Board. And this thing went on merrily. As an instance in point of the way in which our railway authorities discharge their duties, I may point out—I speak subject to correction—that a locomotive was constructed for service on the Kalka Simla line. This engine was the grandchild of some XB engine with its abnormal hunting and with its tendency to twist the track. This engine cost 20 lakhs. But, on the very day that it was put on the track, it tore up the line and ultimately committed suicide, and nobody knows what became of it. I am informed that it was thrown into the scrap heap, unwept, unhonoured and unsung. This is the history of the railways and its trustees and now these trustees say that the Railways are a national asset and they have brought this Bill to place all sorts of obstacles in the way of the only industry which we can call our own and that industry is the motor vehicle industry. We call it the poor man's national asset. I may put in a word for these poor people to whom nobody listens, because they are poor. Their wail and cries go up to the fourth Heaven and nobody listens to them. If I had made a speech like that of Mr. Ayyangar, I would have been called a toady and a howl of protest would have gone up and I would have been called a henchman of the Britishers. But here you make all sorts of speeches. When I heard Mr. Ayyangar, I was wondering whether he was speaking from the Congress Benches or as one of the members of the Railway Board. I think Mr. Ayyangar should be put on the Railway Board.

Mr. S. Satyamurti : We don't accept jobs from the Government.

Maulana Zafar Ali Khan : That is by the way.

Mr. S. Satyamurti : Very much by the way.

Maulana Zafar Ali Khan : Now, I come to the Bill. I admit that the Bill as it has emerged from the Select Committee is a vast improvement on its predecessor but there are many objectionable features in this measure yet and unless they are removed we cannot support it. What are these objectionable features? I will not go into long details. I would only skip over certain sections and certain chapters which appear to me to be objectionable. First and foremost is the notorious section 42 of Chapter IV. This section gives powers to the Provincial Governments, drastic powers to do what they like with the traffic on the road and traffic on the rail to bring about co-ordination between the two. If that section is retained, it means that under the conditions of this section, the motor transport will die a lingering death. You talk of co-ordination between the rail and the road. You can as well talk of a giant of Brobdingnagian proportions and a pygmy of Lilliputian dimensions co-operating with each other. Punjab puts it tersely and declares that this

co-ordination is in fact subordination to the railway interests. Why should you put all sorts of obstacles in the way of a motor vehicle performing a journey say, from Peshawar to Calcutta. What risk is there. Railways are made for certain purposes. I do not object to the railways as such. They are a blessing in themselves, if only we have control over the railways.

Mr. S. Satyamurti : What about the army ?

Maulana Zafar Ali Khan : As long as there is an army for the defence of India, we must do nothing to bring about its dismemberment. You have admitted that yourself. We are for Indianization from top to toe, from head to feet. We want an army officered by Indians. We admit that. I told you we were with you in everything. The only thing was that we meant what we said and you did not mean what you said. That is the difference. So the poor man who scrapes up some money by dint of hard labour is made to suffer. There are thousands of such men, not only illiterate but literate. They are graduates of universities. This reminds me of a speech which I made when the Railway Bill came up for discussion. Sir N. N. Sircar was there and I told him and I repeat what I said then that the unemployment problem in India has become very serious. I have seen graduates from Madras selling betels. Mr. Ayyangar will bear me out. I have seen graduates from Bombay blacking shoes. I have seen graduates in Calcutta selling *rasagullas*, and I have seen thousands of graduates in the Punjab circumambulating the Government offices for a post or a salary of Rs. 15 or Rs. 20, and when they don't get that even, they commit suicide. Things have come to that pitch. So these poor people scrape up some money and invest it in a motor lorry and ply for hire and they get something out of it. There are thousands and thousands of such men. Any spoke that is put in the wheel of the motor industry means so much strangling and throttling of these poor graduates. Millions of men are employed on this industry and they gain their livelihood by it. I would like to quote to you what the President of the Motor Transport Association, Bombay, said in an interview. He said :

“ The principle behind the Bill, in so far as it was designed to secure Road-Rail co-ordination, remained unaltered—a restriction of the sphere of activity of road transport was mainly necessary to achieve road rail co-ordination. This, in my opinion, forms the crux of the whole opposition to the Bill on the part of motor trade and transport interests.”

This was what Mr. Chinoy said, and the same is the view of the large number of men who are interested in the motor industry and who cry for justice but whom nobody would listen to.

So, in order to protect this industry it is absolutely necessary that certain objectionable features should be removed altogether. Much has been said with regard to the mischievous nature of clause 42 in Chapter IV. My view and my studied view is that this section should go and be deleted. Then there are the powers given to the provinces in this respect—how they are to function, and how they are to exercise their authority. This authority will be exercised through regional transport authorities and provincial transport authorities. Now, it is laid down that the personnel of these authorities would consist of men who would be above-board—official and non-official—both of them having no axe of

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their own to grind—but no provision has been made for the representation of the only interest that is being hard-hit, that is the motor interest. So, something should be done to see to it that the personnel of these provincial transport authorities or regional authorities includes at least 25 per cent. of those who are directly concerned with the motor trade and have an interest in it. Then comes the famous Chapter VIII—Compulsory insurance of third parties. If this insurance of third parties is absolutely necessary from the point of view of those who have brought in this Bill in the case of motor vehicles, why is it not equally necessary in the case of the railway? Sir, it is an established fact and everybody must admit that millions and millions of passengers travel by rail and of course their lives are subject to risk. Every day an accident occurs, innumerable accidents have occurred, and accidents will continue to occur. I am a pre-destinarian, everything is pre-destined, and if an accident has to occur, it will occur whether there is insurance or not. But if insurance is necessary here, why not in the case of the railway? That again shows that you are making an invidious distinction in favour of the railway and bringing down the hammer, might I call, of oppression on the weaker limb? So this chapter ought to go and must go and everything should be left to the people themselves. Let the insurance agents or the insurance companies proceed to the country, to the villages, and not remain shut up in the cities, let them go to every passenger, every man, every villager who is likely to be a passenger in a lorry, and insure him. Why should the Government take upon itself the responsibility of adding to the burden of the poor motor vehicles which are already sufficiently taxed? Sir, at the average rate each motor vehicle will be burdened to the tune of Rs. 400 or Rs. 500 if this taxation comes, and which will be in their case the proverbial straw that breaks the camel's back. Instead of making their lot bearable, you make it a hard one. The country is not in favour of accepting the view of gentlemen who can make brilliant speeches and who can turn a man into a gorilla by the force of their logic. Sir, there are very few people throughout the length and breadth of India who want this insurance. Let it go. Accidents will happen whether you adopt any measure or not. If the number of accidents goes on increasing, then, after five years, you might consider it and then will be the time when we will consider—if we live up to that time—whether this insurance should come, or whether we should make it compulsory or not. Now, comes section 115 of Chapter IX. This is a very mischievous section. The police are invested with powers which even the Czar of Russia did not possess. Any "*lal-pagriwalla*" can arrest you for a technical offence and clap you in jail. Even my friend, Mr. Joshi, is not immune from their attack. I know what these policemen are. These gentlemen have not travelled in lorries. They travel first class and second class,—and, so far as Mr. Ayyangar is concerned, he has expressed his inability, his constitutional inability to travel in a motor lorry. We have travelled in motor lorries. What is our experience? We are going along at a rattling rate of thirty miles an hour and suddenly a constable, a policeman, like the Jack in the box, springs up by the roadside and says, "stop". Well, he stops the poor fellow. Then he says, "I and my grandchildren and my grandfather and grandfather's grandmother are all of us wanting

to travel from here up to that place. It may be 10, 20 or 30 miles." Well, he must comply ; if he does not comply, then here comes section 115. Anybody can be arrested and clapped in jail. And who is going to be the judge of the speed, the reckless speed ? The judge is going to be the constable,—and if his palm is not greased, and it is greased occasionally, if he is not allowed to travel without a ticket and if he is not allowed to have his whims complied with, then there is no hope for the poor lorry driver. An what is the penalty ? "Two years, one year, Rs. 500." Well, those who placed this Bill before the House were evidently thinking that the people for whom this penalty is intended are rolling in riches, whereas at least our Congress friends ought to know—they who cry from the house tops that they are for the poor people, that the interests of the poor people are safe in their hands—what the situation is, why did they allow this measure to come before the House in its present form ? Why is this clause 115 there and why should you allow the Government to impose fines of Rs. 500 and Rs. 200 for small technical offences ? This clause should go. Sir, if I were to go clause by clause and sub-clause by sub-clause into this Bill, it would take at least three hours, but my object was to give to the House the glimpses of the evil character of certain provisions of the Bill. After having made these remarks, subject to the various objections that I have urged, I support the Bill.

Pandit Sri Krishna Dutta Paliwal (Agra Division : Non-Muham-madan Rural) : Sir, I rise to support the motion moved by the Honourable Mr. Clow that the Bill, as repor'ed by the Select Committee, be taken into consideration. Differences there are bound to be on a Bill of such a character affecting, as it does, the various conflicting interests. Nor do I claim that the Bill, as it has emerged from the Select Committee, is so perfect that it requires no change whatsoever. On the contrary, I hold that there is a scope for improvement and these improvements will be effected in the House. But, Sir, when everything is said and done, the fact remains that the Bill, as it has emerged from the Select Committee, has got rid of the most contentious and obnoxious features of the Bill as it was originally introduced.

After having read the hundreds of amendments that have been given notice of up-till-now, and after having heard the speeches criticising the Bill, including the most vehement of all, that of my friend, Mr. Suryya Kumar Som, I am confirmed in my conviction that the Select Committee did succeed in taking out the poisonous fangs of this viper. As it is, it will not be at all difficult for the House to improve the Bill in such a way as to make it useful for all concerned. There is a strong suspicion in the public mind that th's Bill is designed to kill the motor transport service. The Government have to thank themselves only for this. The whole history of the manner in which they proceeded to do their work, in this connection, is full of facts which give rise to this suspicion. It is further strengthened by the stealthy way and the indecent haste with which they carried out their Road Resolution in 1937 when the Members of the Party, to which I have the honour to belong, were absent. Sir, some of the provisions of the Bill as it was originally introduced, coupled with some of the remarks of the Honourable the Mover, only completed the process that turned this suspicion almost into a conviction. The Road

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Resolution empowers the Central Government to withhold from the Provincial Governments their share of the road fund in case they fail "to take adequate steps" to control the motor vehicles. Well, Sir, it is on account of these terms of the Road Resolution that the people think that, wherever the words "Provincial Governments may" do this and may do that occur in this Bill, they virtually mean that the Provincial Governments shall have to do it. It is on account of this that there is some unwillingness on the part of the Members of this House to give power even to the Provincial Governments. That is the real reason why people think that these powers should not be given to them. They think that the Central Government will try to coerce and cajole the Provincial Governments through their favours and frowns in the distribution of this road fund. Apart from this, I see no harm in giving powers to the Provincial Governments and, when I say that I make no distinction between one Provincial Government and another.....

Dr. Sir Ziauddin Ahmad : Then why take away the power from the Provincial Legislature ?

Pandit Sri Krishna Dutta Paliwal : Because all of these Governments are responsible to Provincial Legislatures. Surely, even my friend, Dr. Sir Ziauddin Ahmad, cannot object to powers being given to the Provincial Legislatures consisting, as they do, wholly and solely of the elected representatives of the people. A look at sub-clause (3) of clause 135 of this Bill will show to everybody, including my friend, Dr. Sir Ziauddin Ahmad, that the Select Committee has provided that all rules which are to be made under this Bill shall be subject to such modifications as the Legislatures may make.

Babu Baijnath Bajoria : They will not be able to over-ride the clauses of this Bill.

Pandit Sri Krishna Dutta Paliwal : Oh, don't mind that. For the benefit of such of my friends, if any, who object to powers being given even to Provincial Legislatures, I will quote an anecdote from the life of Bernard Shaw. Mr. Shaw was witnessing a play of his being shown in a crowded House and everybody in the House was applauding the play, but one gentleman sitting by his side did not like it. He interjected his disapproval. Mr. Shaw told him : "My friend, I agree with your criticism of the play but, unfortunately, we are in a hopeless minority of two." As a political philosophy, I myself regard anarchism as the Vedanta of politics. I know that according to that philosophy all Governments are bad and the best Government is the worst. But, Sir, in these days of fascism and communism it is not practical politics to talk of anarchism. In the world as it is constituted today, I mean in the political thought prevalent in the world, there is no room for Spencorian, individualism even in so-called democracies.

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

My point is that if we have to regulate the motor transport service, it is best for all concerned that we leave the task of regulating it to the provinces with wholly elected Legislatures. As

between the rail and the motor transport services, my sympathies are with the motor transport service. I am strongly opposed to the motor transport services being regulated out of existence for the benefit of the railways for the very simple reason that I see no necessity and no justification for doing that. I am convinced that in this vast country of ours there is ample room for both forms of transport. I am not against co-ordination of our transport services, nor am I against the regulation of the motor transport services in the interests of the safety and benefit of the general public as well as for the purpose of eliminating cut-throat competition amongst themselves. But, Sir, I am not prepared to confer unhealthy and even more uneconomic monopoly on the railways under the cover of the grandiloquent words like co-ordination and regulation. In the present circumstances of the country, I think the best policy for us is to hold the scales even between the two. It is all very well to say that the railways are our national assets, that about 750 crores are invested in them, and that the nation stands to lose if the railways lose. I do not question the force of these arguments, but at the same time, I cannot forget the arrogant and extravagant management and the wasteful monopoly which the railways stand for in our country. Nor can I forget the coming Federal Railway Authority. So long as these things are there, they are bound to influence our opinion. We do not think and act in vacuums, the atmosphere round about us does influence our thoughts and actions and, if the Government really want a scientific co-ordination and regulation of these transport services, it is up to them to remove the factors which vitiate a cool, dispassionate and scientific consideration of these problems and create a proper atmosphere. If the railways want our sympathy, they must first become really national in the sense that their sole control is vested in the Indian nation. If they want to get back the lost traffic in goods and passenger service, they must set their house in order first. Why can't they take those measures which have been taken in so many other countries of the world, such as France, Italy, Germany and the United States of America and even in the United Kingdom? Why can't they adopt all those methods to improve their services which have been pointed out by so many of my Honourable friends including Seth Govind Das and Dr. Sir Ziauddin Ahmad? The catchwords of the safety and benefit to the public and sympathy for the poor can deceive no one so long as Government do not translate them into action at least in the State-managed railways. Our motor transport service in this country cannot certainly go further than the railways in the matter of these regulations.

This brings me to the question of compulsory insurance. I listened to the speech of my Honourable friend, Mr. Chatterjee, whom I do not find in his seat now, with great care and attention. He must forgive me for saying that I was greatly disappointed. His speech left me utterly unconvinced as to the immediate necessity of introducing compulsory insurance. In his opening remarks he promised much. He said that it is not at all difficult to meet the arguments of persons who are against compulsory insurance but he did not meet them at all. It seems to me, Sir, that he was suffering from a delusion, common to all experts, the delusion of thinking that their assertions can pass for arguments. After having heard him, I am strengthened in my conviction

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tion that in the matter of compulsory insurance, we cannot go further than the Select Committee has gone. I even think that those of my friends may be right who hold that we have gone a bit further than we should have and we may have to retrace our steps a little.

Coming to the most controversial and the most important part of the Bill, that is Chapter IV, I think, Sir, the need and utility of the control cannot be denied. As between railways and motor transport service, I have said that my sympathies were for motor vehicles, but when it comes to the general public, obviously our sympathies are for the general public as against the bus owners. Nobody in this House, including my Honourable friend, Haji Abdur Sathar Essauk Sait, as well as those outside the House can deny that the interests of the general public must be given preference to the interests of the bus owners and other persons. This service must be controlled in the interest of the general public and the nation. Some control is also necessary to save them from themselves, that is from cut-throat competition among themselves. My Honourable friend, Mr. Gadgil, fully demonstrated the necessity of such control in his speech which he delivered at the time of the discussion on the motion for reference of this Bill to the Select Committee. It is true that this control can be overdone and I also admit that excessive control can even kill this industry or business whatever you like to call it. But, Sir, a cursory perusal of Chapter IV, as it has emerged from the Select Committee, will suffice to convince even the most sceptic that the most objectionable features of the original Bill have been removed and the whip hand of the railways has been amputated. I know there are still some objections not only on the part of motor unions, but also on the part of some of my Honourable friends here. But such of these objections as are found to be valid and reasonable by the House can be removed by suitable amendments. The House has only to be convinced that these amendments do not militate against the all supreme national and public interests. I have not the least doubt in my mind that the House can, and it will, dispose of this Bill in the same spirit of amity and good will as prevailed in the Select Committee. The ultimate success of this Bill, as of any other legislative enactment, depends in the last resort upon the way in which it is administered. Even the most perfect piece of legislation can be sabotaged by a corrupt and inefficient administration. Much depends upon the human agency which is to enforce the provisions of this Bill. It is the regional transport authorities and the police constable who will see to it that the provisions of this Bill are carried out. If adequate care is not taken in the constitution of these regional authorities, this Motor Vehicles Bill is bound to prove a veritable vehicle of oppression. So far as the police force is concerned, we, on this side of the House, including my Honourable friend, Maulana Zafar Ali Khan, know too much about it to be enthusiastic about the results of this Bill. Sir, if this Bill is to serve the purpose which it is intended to serve, the Provincial Governments must see to it that the policing is efficient not from the bureaucratic point of view but from the point of view of the public. The police force in our country must be thoroughly overhauled and replaced by men who have at least as much sense of duty and regard for the public as the British policemen possess.

Then and then alone the social conscience of the people can be aroused to a pitch which can be effectively helpful in seeing that the provisions of this Bill are enforced. Unless this is done we cannot ensure that amount of safety and benefit to the public which this Bill aims at. And I also say this that unless this is done I share the apprehensions of those engaged in the motor transport service as well as some of my friends in the House about the powers given to the Regional Transport Authorities and the penalties provided in Chapter IX of this Bill.

Sir, with these observations, I support the motion for consideration.

Mr. N. V. Gadgil (Bombay Central Division : Non-Muhammadian Rural) : Sir, I rise to support the motion moved by the Honourable Mr. Glow that this Bill be taken into consideration. I thought, Sir, that when this Bill was referred to the Select Committee, the general principles of regulation and control had already been accepted by this House. I do not know how far the speeches that have been delivered in the course of these three days have been strictly in order, but they have obviously covered a considerable field which involves the consideration of certain principles on which a national system of regulation and co-ordination ought to work. I propose, with your permission, to deal, for a few minutes, with the principles which have been found to be very good and sound in working not only in some parts of our country but all over the world.

In the first place, I was very much surprised that at this time of the day there are certain people who are against any regulation and much more so against co-ordination and control. I was surprised, Sir, to hear the speech of my Honourable friend from Marble Rocks that he was considerably against regulations. I can only tell him that if he were to read the latest police administration report of his own province and particularly what the Commissioner of Jubbulpore Division has to say, I am certain he will change his opinion as quickly and with as short notice as my Honourable friend, Mr. Som, had changed, although he is one of the signatories to the unanimous report of the Select Committee. Sir, I have seen all the latest police administration reports of the eleven provinces and every report asked for regulation and control. I will only refer to a typical portion from the report of the Police Administration of the Bombay Presidency, where the Commissioner has to say this :

“ In the past I have pleaded, and I still do so, for some definite road policy in the interest of the public, the motor owners and the police, and, incidentally, for the benefit of Government coffers and of our roads. Until some policy is laid down and carried out we must be prepared for an increasing number of accidents, economic suicide by bus owners and unsatisfactory services for the public with inadequate control by the police.”

Sir, I was still more surprised when I found my Honourable friend, Maulana Zafar Ali Khan, pleading against regulation. I can only point out to him what appeared only a few days ago in the papers as a summary of accidents that have taken place in the Punjab during the course of the last three months. There were 220 accidents as compared with 191 in the three months preceding ; and out of that exactly 61 proved fatal. These accidents involved children, women, men, passengers and strangers. And of the motor vehicles involved in accidents only ten were insured against

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third party risks, five for risk to passengers and four against damages. One of the main causes of these accidents was that the drivers fell asleep while driving the motor vehicles.

Mr. Suryya Kumar Som (Dacca Division : Non-Muhammadan Rural) : What about accidents on railways ?

Mr. N. V. Gadgil : The Honourable Member had his turn, and I wish to be insured against third party obstructions !

Sir, I have in my possession copies of representations made by several motor drivers and they are unanimous in pointing out that the railway is trying to undercut them in certain spheres. The gist of the whole thing is that there is confusion and uneconomic competition not only between the bus-owners themselves but between the bus-owners on the one hand and the railways on the other. If this state of affairs had continued for a pretty long time I ask, as an humble student of this problem who has devoted a good deal of time and energy to it, is unfettered competition the best solution of this problem, or does the best solution lie in regulation, in co-ordination and in control ? Sir, there seems to be a good deal of misapprehension, and may I say a good deal of political prejudice, when this question of co-ordination is discussed. I have had my experience of being interrupted, from friendly quarters, on the last occasion when I said that railways are a national asset, and I am glad to find that it has been so recognised in clause 42. In spite of what my Honourable friends here may say I am convinced that if my property is mismanaged today by my manager I would be a fool in giving up my title to its ownership tomorrow. I am convinced that motor transport and the railways are the two lungs of my national system of transport. It is not the case that the bread meant for the children is to be given over to dogs. No ; as my Honourable friend, Mr. Paliwal, has stated, I want to hold the scales even, and when I find people running down the railways because of the immediate aspect, not taking into consideration the ultimate aspect in which the problem will ultimately resolve itself, I am really sorry. I will formulate one question for a considered answer from this House. If there is a loss or gain in the working of railways, who loses or who gains ? Is it a few individuals or the taxpayers of the nation *qua* taxpayers and *qua* nation ? If, in the motor transport industry, as we call it, there is loss or if there is gain, who loses,—who gains the nation *qua* nation and the taxpayers *qua* taxpayers or a few private individuals ? That is the antithesis in which you have to read this problem and approach it. I want to put it very shortly in this way. The motor industry is run for the benefit of a class, howsoever it may be constituted, whereas the railway is run in the interest of the nation, though, for the time being, the management may not be in the hands that we desire.

Several Honourable Members : Question.

Mr. N. C. Chunder : It is run for the benefit of British trade. (Interruptions.)

Mr. President (The Honourable Sir Abdur Rahim) : Honourable Members need not go on interrupting like that.

Mr. N. V. Gadgil : If the objection is that the railways stand for the British interests, may I ask you, in all humility, who are interested in dumping motor cars into India, if not Europeans ? I am not surprised when I find my Honourable friend, Mr. Bajoria, finding a new heaven in the European capitalist group in this House. That is how the capitalists come together and want to ruin and rob the general public, the consumer. It has been shown by facts and figures by my friend, Mr. Ayyangar, that nearly nine crores of rupees are going out of India every year. I will formulate another question for your considered and dispassionate answer.

Mr. M. S. Aney : Are you prepared to declare a boycott against motor cars ?

Mr. N. V. Gadgil : What is the percentage of gross earnings that is retained in the motor transport industry in this country and what is the percentage of gross earnings of railways retained in this country ? If you compare these two, it will be clear to every reasonable man, every thinking man, that if there is any service which is more national than the other, it is really not the motor transport industry. (Interruptions.) I know that prejudices cannot be removed by argument.

Mr. M. Thirumala Rao (East Godavari and West Godavari *cum* Kistna : Non-Muhammadan) : Then don't argue.

Mr. N. V. Gadgil : Unfortunately, my friend, Mr. Thirumala Rao, thinks that he monopolises the entire presence of this House. There are others yet with open minds who are ready to be convinced and, therefore, I want to sum up this aspect of the question, that we cannot neglect the railway for the betterment of motor transport or *vice versa*.

An Honourable Member : Nobody has asked for that.

Mr. N. V. Gadgil : If you continue to leave the field unrestricted, unfettered and unregulated, the only result will be that within the course of five years you will have quite a million or perhaps more of buses and motor cars here in India and the result will be both the railway and the motor transport industry will be going into the abyss. (Interruptions.) Only a few days ago I noticed an old cartoon of *Punch* in which the northern states of America and the southern states of America were represented by two persons—two brothers stabbing each other and in the course of their struggle, they came very near the end of the precipice, down below was a valley named 'Bankruptcy'. (Interruptions.) It is certain that in the best interests of the nation, both the industries have to be co-ordinated, while, on the other hand, attempts are being made to create a sort of enmity between the two. (Interruptions.)

Mr. President (The Honourable Sir Abdur Rahim) : Order, order. I must ask the Honourable Members over there not to interrupt.

Mr. N. V. Gadgil : Now, it has been stated that if this Bill is put on the Statute-book, it will be disastrous for the people, the operators who are already in the industry, and that it will create unemployment....

An Honourable Member : Nobody said that.

Mr. N. V. Gadgil : I think it is much better if we study the experience of some other countries in which such Bill or a similar Bill has been passed into law and has been working. With this object in view I propose to give certain statistics in as few minutes as possible and to summarise the experience of the working of the English Road Traffic Act, from the year 1930 to the year 1935, which has been compiled by the Research Section of the University of Manchester in a book written by Mr. Chester.

Mr. Suryya Kumar Som : Both the transport systems there are under one Minister and one Ministry.

Mr. N. V. Gadgil : In England, both the transports are under one ministry but whether one industry is in private hands and the other industry is also in private hands or whether, as in India, one industry is in private hands while the other is State controlled it makes no difference except for legal purposes. The principles underlying a policy which aims at co-ordinating both these in the highest interests of the State are the same. Now, coming to the point, what was the experience of the working of the English Act ? In the first place let me make one point clear, that in England the motor transport industry has been stabilised to some extent. So, also, the English railway system has reached the maximum. There is little scope for expansion. In India the conditions are somewhat different. So far as the railway system in India is concerned, I think, if it has not reached the maximum, it has very nearly been stabilised. In fact, the other process is to be found : only a few days ago in reply to a certain question the Honourable Member for Communications stated that certain lines were given up from working. As the co-ordination policy goes on there will be many more miles given up and the full effect of obsolescence will be made clear. At the same time, let us try to find out whether our motor transport industry, as it is miscalled, has been stabilised. The figures that were given yesterday by Mr. Mitchell go to show that altogether, taking a round figure, 150,000 is the mileage available for motor cars, not all the year round, but for some part of the year : and, out of these, there are 62,000 miles of metalled road and 6,200 miles of modernised road or roughly speaking 68,000 miles are available for motor traffic all the year round. Then, we have to consider whether this mileage is up to the standard which is available in the most industrialised or rather advanced country. In this connection, the House may well remember that I quoted from the very high authority of Mr. James—not Mr. James of the European Group here—but of the Highway Education Board of Washington. He laid down standards for several categories of area, beginning with a desert and ending with a highly developed and industrialised area. If we consider that our local board roads or provincial roads come under the category of “well developed hilly agricultural area”—that was the basis on which investigations were made in Deccan Districts by Prof. Gadgil—if that is generally applied to India, I have tried to find out that the mileage, taking the full mileage of 150,000 which cannot be considered if we want to make a scientific approach to this problem, works out to one mile of road for an area of 7.5 square miles. But that is not the scientific way of approaching this problem. We must take into consideration only metalled roads and modernised roads and then the figures work out as follows : that for the 68,000 miles of metalled and modernised roads, taking into consideration the area of

British India to be 1,096,171 square miles, it works out to a percentage of 14.4 miles of area per one mile of road, and the standard percentage should be, taking a round figure, one mile of road for ten square miles of area. Now, Sir, reading these very figures from a different point of view, I find that the stabilisation requires at least 30 per cent. advance from the road mileage which is available today. Therefore, I want to make out this point,—of course, I may say in parenthesis that this is a rough calculation, but it is a fairly correct calculation,—that there is still considerable scope for advance for motor industry in the way of additional motorable mileage being made available for the expansion of this traffic. What is sought in this Bill is not prohibition, in fact if it were so I would not be a party to this Bill at all. In the memorandum which I and Prof. Gadgil submitted to the Select Committee, we stated that there must not be absolute prohibition on the expansion of roads, but they must gradually expand, and the rate of expansion of motor transport industry must be consistent with the rate of progress of road mileage. That is the point which I want to make out....

Dr. Sir Ziauddin Ahmad : May I ask one question ? When my friend is giving the figure of road mileage in India, is he including the *kutchā* road as well or he is giving the figures of only metalled roads ?

Mr. N. V. Gadgil : I have said that the scientific approach to this problem is to accept only those roads which are metalled and modernised.

Then, Sir, if this is a fact, and if the Bill only seeks to regulate the industry, and does not prohibit its expansion but only says that the rate of progress and expansion shall be consistent with the rate of progress of motorable mileage, I think none should have any grievance.

Now, coming to the point as to what the English Act has to tell us, you will find that in the course of the last four years, the number of motor vehicles actually,—I am talking of passenger buses,—have decreased from 46,298—that was the figure for 1930,—to 45,656 in the year 1934, on the 30th of June. There has been a slight decrease no doubt, but the service miles have increased by three per cent. per year per bus from 27,809 miles to 28,652 miles. Not only this, Sir, but the industry is being run on a more profitable basis, because uneconomic competition has been eliminated. Then if it is said, as has been suggested in the course of this discussion, that the small operator is likely to go out, I may say that it is not the experience of the working of the English Act. The working of the English Act goes to show that in the three categories of traffic, the stage, express and excursions, the small operator has gained in the latter two, namely, the express and the excursion, and in the stage traffic, naturally, you cannot run a service unless you have a fleet of six, seven, eight or ten cars. If you work out the percentage of those who have less than ten cars and compare it with those who have more than ten cars in this industry, you will find that 80 per cent. are persons who have less than ten cars or ten buses in this industry. I cannot believe for a moment, especially when a provision has been made in the Bill that those who ask for the renewal of the licenses shall be given preference, and if the industry today is being run by small operators, that these small operators will give way to big ones unless they are purchased at a very high value. But the real problem, Sir, is not whether the small operator will go out of competition, but the real problem will be how to prevent this becoming a monopoly of those who

[Mr. N. V. Gadgil.]

are already in the industry itself. It is that desire,—it is not the fear that they will go out of the field or they will be eliminated,—it is the desire of those who are running the industry at present that they want the provisions to be so amended that it should virtually end in a monopoly, whether it is by a few people or one big financial interest. The real problem of control is to avoid prohibition on the one hand and to prevent monopoly on the other,—and I submit,—I give no great compliment when I say that my esteemed friend, Mr. Santhanam, has achieved this by having this Bill so improved that this desideratum has been secured.

Some Honourable Members : Question.

Mr. N. V. Gadgil : Then, Sir, what has been the experience of the working of the English Act, so far as the traffic in terms of distance is concerned ? The experience is that in the course of these four years, naturally, the short distance traffic has been practically monopolised by the buses and the Railways have improved in their gains in the long distance traffic, and if you compare their rates also, you will find that the Railways gained, because they have increased their rates for long distances and decreased their rates for short distances so as to maintain a balance with a view to ultimately making a profit. Therefore, I think, that the provision in section 42, that the long distance traffic may be reserved for the Railways, is on the whole one to which I cannot take any objection, although I am not prepared to define it now and here ; for I think we must wait four or five years till a rate structure is built up both by the motor transport industry and by the railway authorities themselves.

Then, Sir, what has been the effect on unemployment ? I might bring to the notice of this House that when this Act came into operation, the insured employees were 1,37,269, and in June, 1934, the number rose to 1,72,671, and some people may well say that this seems to be a paradox. Sir, we are apt to forget the other provisions of the Act, namely, the regulation of the hours of work, and restrictions on speed and so forth. These two provisions are in this Bill ; I want to know whether the number of drivers will increase or decrease if we restrict the hours of work to 54 or whatever may be the number that we may, in our wisdom, ultimately decide upon.....

Mr. N. M. Joshi : 48.

Mr. N. V. Gadgil : If you also take into consideration that we have provisions in this Bill for the control of speed, how will it affect the number of employees ? It will increase. Therefore, taking the number of vehicles, taking the service, taking the effect on the traffic in all its categories and its effect on employment, there is nothing in the working of the English Act during the last four years to make us feel nervous or apprehensive about the probable effects of this Bill in this country, especially when our road system is not only not stabilised, but, according to the figures I have been able to show, it has still a capacity of nearly 30 per cent. for expansion.

Then, Sir, there were certain objections raised about the fixing of rates. If, Sir, you agree to this proposition that unfettered competition is an impossible solution of this problem, that there must be some regula-

tion, there cannot be any regulation merely in the interests of public safety or road congestion or road cost, but it must ultimately lead to some sort of regulation in the fares itself. Is it not better that the fixing of rates should not be left to the higgling of the market place or stand and it should be done in a quiet atmosphere after sufficient data and scientific study? May I, with your permission, give an example of how, in the absence of any fixation of fares, the poor agriculturists suffer? Some twenty miles from Poona there is a place called Saswad from which most of the supply of figs and fruits comes to Poona. There is a *ghat* road between Saswad and Poona. All the buses must cross the *ghat* road before sunset, and if the poor agriculturist or his sister or his wife comes with baskets and if the lorrywala finds that it is five minutes for sunset, he demands any price. It only means that they give the price demanded to go to Poona and there is no profit left. On the contrary, just imagine this. If you fix the maximum and minimum—what is the theory behind fixing the maximum rate? The theory is that the consumer must be prevented from being exploited by the motor transport industrywala. That is the object. I must be guaranteed fair rates as a consumer. I have no other interest, I have not got even a car and do not hope to have it when the Congress is going to cut down even the salaries. But I have an interest as a citizen, as a humble student of this problem. Therefore, the maximum must be fixed in the interests of the consumer public. The motor industry has vulgarised the whole country. Think of an agricultural girl carrying a basket full of cow dung cakes on her head and using the bus for the purpose of bringing it to Poona and selling it. To this state the buses have been used. Therefore, it has played, it is playing and is going to play a very important part in the agricultural economy of this country. So, my reason for pleading that the maximum fares must be fixed is purely in the interests of a predominantly agricultural country like India. What is the principle behind fixing the minimum rate? It is in the interests of the industry itself. My Honourable friend, Mr. Bajoria, does not want it. If it is fixed, then there will be fewer purchases of motor cars, because people will know that it is no good to run a service which is not profitable to run. Today what is the position? If you say, let us follow a policy of *Laissez faire*, ultimately the weaker elements will go out of the market, but new entrants, ill-equipped, ill-informed, not knowing what is in store for them, will still come in. The result is more profits for my Honourable friend, Mr. Bajoria, who is an agent for foreign cars.....

Mr. M. S. Aney : I strongly protest against alluding to my Honourable friend, Mr. Bajoria, when he is not here. He has told us that he has no personal interest.

Mr. N. V. Gadgil : I impersonalize Mr. Bajoria.....

Mr. S. Satyamurti : He is a Member of the Assembly. He has made a speech and he ought to be present here.

Mr. N. V. Gadgil : There is nothing personal, I assure my Honourable friend, Mr. Aney. When I used the word "Bajoria", it typifies the interests which are here for removing the provision of fixing the minimum fares.....

Mr. M. S. Aney : May I ask my Honourable friend if he could not use that argument without mentioning the name of Mr. Bajoria?

Mr. N. V. Gadgil : I submit that it is a legitimate weapon of debate, but if you, as an elderly person, ask me not to mention his name, certainly I shall bow to you, and I shall not use it.

[At this stage, Babu Baijnath Bajoria entered the Chamber and took his seat.]

Those who are interested in selling foreign cars and dumping India will naturally oppose this fixation of fares. The minimum, as I said, is in the interests of the buses or in the interests of the service concerned. Why there should be an objection to a maximum if you are as a consumer interested, or why there should be an objection to a minimum if you are not a seller of foreign cars, I cannot appreciate. Somehow or other, some of my friends here seem to think that, because there are so many people who are finding employment, so many people are getting money at the end of every day, therefore, it must be a profitable concern. I do not want to repeat the arguments which I advanced in my last speech. It is not only my considered opinion, but it is the result of my study that it is only the financier that profits in this motor trade, and all else go to the wall. There should not be any objection to the fixation of a maximum,—I was going to say maximum and minimum, although the provision is “maximum or minimum”. In fact, I have suggested that in my memorandum. Then a good deal of discussion centred round clause 42. The object with which this Bill was first introduced, as appears from the Statement of Objects and Reasons is :

“In the interests alike of the safety and convenience of the public and of the development of a co-ordinated system of transport, much closer control is required than the present Act permits, and it is necessary to take powers to regulate transport.”

If this was the object and if this principle has been agreed to by this House by accepting the reference to the Select Committee, I say that clause 42 is completely justified in the present form in which it is. My Honourable friend, Mr. Santhanam, has been made the villain of the piece.

An Honourable Member : Or hero ?

Mr. N. V. Gadgil : Those who are admitted opponents I can meet, but those who are my friends and differ for the time being from us—it is really painful to say anything harsh against them. Clause 42 in my opinion is the pivot round which this whole Bill moves, and if it goes away, I personally think that there is nothing else left, because there are already safety provisions, already regulations about speed governors, regulations about signs, right hand or left hand. If this was the main object of the Bill, then I cannot understand the argument that clause 42 should be deleted. And who are most keen on deleting it ? The Europeans. And why ? They are not interested whether the railways are running at a profit or at a loss, because the interest of the investors in England is guaranteed. Therefore, the Europeans are not interested. Even if the railways run at a loss, the interest charge is the first charge on the railway earnings. It is still worse, I am told it is the first charge on the general revenues. Therefore, the more the railways are running at a loss, the better for them because the more will be the scope for dumping foreign cars, and, particularly, British cars, on the Indian market. More recently, discrimination has been practised in respect of tariff as against the

American car and more against the Japanese car. Why? The Englishman wants it and gains both ways. Therefore, they are naturally against the retention of clause 42. If you dispassionately consider clause 42 as it is, what has the Select Committee done? I find in the first place those who have signed the report, except the two Europeans who were on the Select Committee, have approved of clause 42. I am surprised that Uncle Som has changed views at such a short notice but, Sir, that is a tragedy that happens in politics. What is after all clause 42? My friend, Mr. Manu Subedar, asked 117 questions last season about railway misadministration and about the ways things are worked against Indian interests. Yet our voice has not prevailed. Here is a successful attempt, in my humble opinion, where a provincial responsible Government will have a voice in determining railway freights, much against the wishes even of British industrialists and traders in this country. (Interruption from Mr. B. Das.) My friend, Mr. Das, will have some patience. If you read dispassionately clause 42, what will happen?

Mr. M. S. Aney : Nothing.

Mr. S. Satyamurti : Some people cannot think.

Mr. N. V. Gadgil : When the Provincial Government fixes rates or acts under the first sub-clause of 42, the interests of any private party, be he an individual or a corporation or association of trader, ought to count. I quite agree with the dictum laid down by Mr. Manu Subedar that the traders' interests must be taken into consideration when you fix the rates and they must have the option of choosing alternative forms of transport. That is the dictum laid down in the Transport Advisory Council's report on rates. That is exactly what is provided for. If, for example, the Indian Chamber of Commerce, Bombay, is dissatisfied with a particular rate schedule, it has simply to go before the Provincial Government which is your own and tell your friend, Mr. Munshi, or Mr. Kher : "Here is the Great Indian Peninsula Railway, which has disregarded all our representations. It is not giving us facilities for any passenger traffic or goods traffic." They will be fully justified in acting under sub section (2) of section 42 and I say that the Provincial Government dare not go against the interests of the traders or against the public demand, if it is a responsible Government. On the contrary the scales will be weighted in favour of the motor transport industry as against the railways.

Then, Sir, look at this clause 42 from another point of view. Have you any control under the Government of India Act, 1935, over railways? I ask in all fairness whether this is not a successful attempt to get some control over a certain aspect of railway administration.

Babu Baijnath Bajoria : None whatsoever.

Mr. S. Satyamurti : You have not read the Government of India Act.

Mr. N. V. Gadgil : Well, Mr. Bajoria may differ. It was pointed out that the Provincial Governments may not have the expert advice at their command. There was another objection and it was said that the Provincial Governments should only act in cases of emergency. Both these objections came from one and the same gentleman. If the Provincial Governments have no expert advice, they cannot have it in emergent circumstances if it is not available in normal circumstances.

[Mr. N. V. Gadgil.]

It is not the position. The Provincial Governments may requisition the services always, free services, of any expert Congressman like my friend, Mr. Manu Subedar. The real test is whether we have advanced on account of section 42 towards a national policy of transport or not. Those who honestly think that we have not—let them vote against this clause. I think that clause 42 has been sufficiently dealt with by my friend, Mr. Ayyangar.

Then, there is the question about compulsory insurance. I have heard the speeches very carefully. From all the statistics available, and particularly the one I quoted from the Punjab, that in the course of the last three months there have been 220 accidents and 61 deaths, it appears to me that he must be a very hard-hearted man who will oppose compulsory insurance. In England, not only compulsory insurance is available but a certain further advanced step has been taken. I have got the report of the committee on compulsory insurance. Having made insurance compulsory they have also suggested that in case this provision of compulsory insurance had not been complied with or there had been breaches of permissible conditions, the State must, in the case of every accident, whether small or otherwise, immediately compensate the victim or the victim's heirs. If you accept that it is the duty of the State to see that those who have suffered injury ought to be compensated, and in order to enable you to do that, you must make a provision for compulsory insurance, it is only reasonable to think that the Government must come in to compensate those for whom no provision has been made; and so, a recommendation has been made for constituting a central fund. The central fund is to be constituted by the creation of a fund to which one per cent. of the premium from every insurer is to go and the central fund is to be managed by the Government. As soon as there is an accident, the man or his heirs must be paid immediately and then, in due course, the Government may proceed against the party who is really liable at law. The money for this central fund will come from the insurers who are authorised to transact compulsory insurance. One per cent. of the premium will go by way of contribution to the central fund. I can very well imagine a contingency in which a motor car owner, although bound by law to have compulsory insurance, has not complied with the provision and an accident has taken place or as you have already provided for certain conditions in the policy and those conditions are not complied with. The insurer is not liable to pay; as there is a breach of these permissible conditions, then who is to pay? I, therefore, submit, that I am throwing out this suggestion for the consideration of the House and it is an equitable and a just suggestion.

Mr. President (The Honourable Sir Abdur Rahim) : Is the Honourable Member likely to finish his speech now?

Mr. N. V. Gadgil : I shall take some more time.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 31st August, 1938.