

THE

17th February 1938

LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

Volume I, 1938

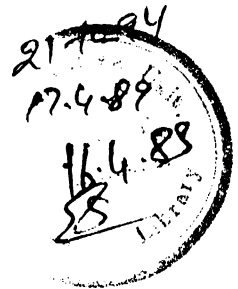
(31st January to 22nd February, 1938)

SEVENTH SESSION

OF THE

FIFTH LEGISLATIVE ASSEMBLY,

1938



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1938

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A

Legislative Assembly.

President :

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

Deputy President :

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

Panel of Chairmen :

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

SIR COWASJI JEHangIR, BART., K.C.I.E., O.B.E., M.L.A.

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

MR. L. C. BUSS, M.L.A.

Secretary :

MIAN MUHAMMAD RAFI, BAR.-AT-LAW.

Assistants of the Secretary :

MR. M. N. KAUL, BAR.-AT-LAW.

RAI BAHADUR D. DUTT.

Marshal :

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

Committee on Petitions :

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

MR. M. S. ANEY, M.L.A.

MR. M. GHIASUDDIN, M.L.A.

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

MR. L. C. BUSS, M.L.A.

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LEGISLATIVE ASSEMBLY.

Thursday, 17th February, 1938.

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

MEMBER SWORN :

Mr. Arthur Eric Tylden-Pattenson, M.L.A. (Government of India : Nominated Official).

The Honourable Sir Nripendra Sircar: May I, with your permission, be permitted to answer question No. 353 first, as I have to go to the Council of State in connection with the Insurance Bill? Dr. Sir Ziauddin Ahmad is here, and if you have no objection, he may be allowed to put his question.

Mr. President (The Honourable Sir Abdur Rahim): I will allow it as an exceptional case.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

ELECTION TO THE CENTRAL LEGISLATIVE ASSEMBLY FOR THE SEAT VACATED BY THE HONOURABLE SIR MUHAMMAD YAKUB.

353. ***Dr. Sir Ziauddin Ahmad:** (a) Will the Honourable the Law Member be pleased to state whether the Government of India or the Provincial Government fixed the date of the nomination of candidates for election to the Indian Legislative Assembly for the seat vacated by the Honourable Sir Muhammad Yakub?

(b) Was the date notified in the constituency as required under Electoral Rule 11(2)?

(c) How, when and in what manner was the date notified in the constituency?

(d) Were the provisions of the Electoral Rule 11(2) complied with?

(e) Were the hours fixed by Government duly notified, as required under Regulation 12?

(f) Were the hours notified in the United Provinces Government Gazette?

(g) Were they advertised in any other manner in the constituency? If so, in what manner were they advertised?

The Honourable Sir Nripendra Sircar: (a) The Provincial Government.

(b) Yes.

(c) The date was notified in the United Provinces Gazette of the 22nd January. For the rest, the date was notified in the constituency on and from the 25th January by various normal methods, details of which are given in a telegram from the Provincial Government, of which a copy is placed on the table.

(d) Yes.

(e) and (f). Yes.

(g) Regulation 12 refers to hours of polling, and as the only nominated candidate was returned unopposed, the question of notifying the hours of polling otherwise than in the Gazette would not appear to have arisen.

Copy of Telegram from the Government of the United Provinces, No. 342, dated the 11th February, 1938.

Reference your telegram 592/38-C. & G., February 5. Date fixed for nomination candidates to fill seat Central Legislative Assembly duly notified in constituency on and from January 25, by posting on notice boards through Tahsildars Sub-Divisional Officers. In Budaun also through District Gazette and in Bareilly through press. In Moradabad and Pilibhit notice circulated among Muslim gentry also and in Pilibhit also notified through Local Boards Rural Development Staff and District Congress Committee. In Moradabad date notified on 29th and 30th in Tahsils and on 28th in Sadar and in Garhwal on January 26th, 28th and February 1.

Sir Muhammad Yamin Khan: Will the Honourable Member read that telegram?

The Honourable Sir Nripendra Sircar: The telegram reads thus:

Reference your telegram 592/38-C. & G., February 5. Date fixed for nomination candidates to fill seat Central Legislative Assembly duly notified in constituency on and from January 25, by posting on notice boards through Tahsildars Sub-Divisional Officers. In Budaun also through District Gazette and in Bareilly through press. In Moradabad and Pilibhit notice circulated among Muslim gentry also and in Pilibhit also notified through Local Boards Rural Development Staff and District Congress Committee. In Moradabad date notified on 29th and 30th in Tahsils and on 28th in Sadar and in Garhwal on January 26th, 28th and February 1.

Sir Muhammad Yamin Khan: What is the press mentioned in Bareilly?

The Honourable Sir Nripendra Sircar: I certainly have no knowledge. I want notice.

Sir Muhammad Yamin Khan: The Honourable Member referred to the Muslim gentry in Moradabad? May I know who they were?

The Honourable Sir Nripendra Sircar: I believe there are gentlemen in every town.

Sir Muhammad Yamin Khan: Can the Honourable Member give the list of the Muslim gentry to whom this was circulated?

The Honourable Sir Nripendra Sircar: I have not got it. I want notice.

Sir Muhammad Yamin Khan: Will the Honourable Member make an inquiry and take this as a notice?

The Honourable Sir Nripendra Sircar: To make an inquiry into the gentility of certain gentlemen?

Sir Muhammad Yamin Khan: The names of the gentlemen to whom this was circulated?

The Honourable Sir Nripendra Sircar: I want notice.

Mr. Sri Prakasa: Is it not a fact that the same procedure was followed at Moradabad as at Bijnor and other bye-elections?

The Honourable Sir Nripendra Sircar: I have no information. I am not prepared to contradict my Honourable friend.

Dr. Sir Ziauddin Ahmad: The last date for nomination was the 1st February, and the Honourable gentleman mentioned the date 1st February, I have got the notification here. This is what it says:

"Constituency to elect in accordance with the said Rules a person for the purpose of filling the said vacancy on or before the 31st March, 1938."

Mr. G. H. Spence: The notification which the Honourable Member is referring to is the notification of the Governor General calling upon the constituency to elect, and in that notification the date by which the constituency has got to complete the election is specified. That is the date specified must be such as to ensure that the election is completed by that date in the event of a contest. The date specified was on or before the 31st March. That is to say, the election was required to be completed by the 31st March. Following that notification, the Provincial Government issued its own notification appointing dates for the various stages.

Sir Muhammad Yamin Khan: Were the Government of India ever informed of the date of nomination and the different stages of the election?

The Honourable Sir Nripendra Sircar: That is entirely a matter for the Provincial Government.

Dr. Sir Ziauddin Ahmad: Was this fact advertised in any daily paper of the United Provinces?

The Honourable Sir Nripendra Sircar: I have no information beyond what I have said; but surely if the election is invalid by reason of the rules not having been followed, Dr. Ziauddin Ahmad can file an election petition.

Mr. Lalchand Navalrai: May I know from the Honourable Member how long Sir Muhammad Yakub has to continue in the place to which he has been appointed?

The Honourable Sir Nripendra Sircar: That does not arise.

Dr. Sir Ziauddin Ahmad: As there was no second candidate, by whom can the petition be filed?

The Honourable Sir Nripendra Sircar: Surely the Honourable Member can file an election petition, as any other person.

Dr. Sir Ziauddin Ahmad: May I know whether the Honourable gentlemen will inquire whether the facts mentioned in the telegram are correct or whether the Local Government will give the details as to the manner in which notices were circulated in the electorate? My information obtained by local inquiry is that this was kept strictly confidential.

The Honourable Sir Nripendra Sircar: The Government of India have no desire to make any further inquiry into these matters.

Mr. Sri Prakasa: Is the voting confined entirely to the gentry?

The Honourable Sir Nripendra Sircar: All those who were entitled to vote were taken to be the gentry.

Dr. Sir Ziauddin Ahmad: This is the first occasion when these dates were kept confidential. They were only published in the Gazette. They were not published in any daily paper, Hindi or Urdu or English, and my information is that they were not advertised in any local papers or anywhere else.

The Honourable Sir Nripendra Sircar: So far as that question is concerned, I do not admit that a thing which is published in the official Gazette is kept confidential.

Sir Muhammad Yamin Khan: Was the attention of the Associated Press of India and the United Press drawn to the fact that these elections were going to be held on such and such dates. There was no report in any paper?

The Honourable Sir Nripendra Sircar: There is no duty cast upon the Government of India. Sir Yamin Khan can do it if he likes.

Dr. Sir Ziauddin Ahmad: Will the Honourable the Leader of the House make further inquiries as to the correctness of the statements mentioned in the telegram which has just been read out, and will he find out whether facts are correct?

The Honourable Sir Nripendra Sircar: All I can do is to send a copy of this question and of the thirty supplementaries which have been put and ask them to make any observations they like.

Mr. M. A. Jinnah: May I know what steps were taken by the Local Government to notify the constituencies besides this being published in the provincial Gazette?

The Honourable Sir Nripendra Sircar: Those were answered before Mr. Jinnah was here.

TRADE NEGOTIATIONS BETWEEN INDIA AND FOREIGN COUNTRIES.

329. ***Mr. Govind V. Deshmukh:** (a) Will the Commerce Secretary please state if policies in connection with trade between India and any foreign country have to pass through the High Commissioner for India in London, the India Office, the Foreign Office in London and the British Embassy in that foreign country, before being placed before the Government of that foreign country?

(b) What are the reasons for this procedure?

(c) Have there been instances of the proposals of the Government of India in respect of trade with foreign countries which were either modified or over-ruled and, if so, by whom and for what reasons?

Mr. H. Dow: (a) and (b). Correspondence with Foreign Governments on matters of trade policy has to pass through the usual diplomatic channels, which means in the case of India, the Secretary of State and the Foreign Office.

(c) It is not the practice of the Government of India to disclose the nature of, and details regarding, such proposals.

Mr. Govind V. Deshmukh: Why not, Sir? Are there any grounds for that?

Mr. H. Dow: It is not in the public interest to do so.

Mr. Govind V. Deshmukh: Not even in commercial interests?

TRADE NEGOTIATIONS BETWEEN INDIA AND BRITISH COLONIES.

330. ***Mr. Govind V. Deshmukh:** (a) Will the Commerce Secretary please state whether as a result of articles 9 and 12 of the Ottawa Trade Agreement between India and the United Kingdom, reciprocal tariff preferences have been granted by India to the British colonies.

(b) Why was it necessary to have these articles 9 and 12 included in the Trade Agreement between India and the United Kingdom?

(c) Could India not contract Trade Agreements directly with the British colonies? Can she do so now?

(d) Have there been any instances of colonies with which the Government of India have entered into Trade Agreements directly? If so, which and when?

(e) Are any terms concerning the trade between India and the British colonies going to be included in the Indo-British Trade Agreement that is being negotiated between India and Great Britain?

Mr. H. Dow: (a) Yes, Sir.

(b) The Honourable Member's attention is invited to Chapter V of the Report of the Indian Delegation to the Imperial Economic Conference, held at Ottawa, in 1932, particularly to paragraphs 61 and 63. The Agreements concluded by the Dominions with the United Kingdom at Ottawa similarly included provisions relating to the grant of reciprocal tariff preferences to the non-self-governing British Colonies.

(c) The reply to the first part is in the negative. As regards the second part, the Honourable Member is referred to the reply given to part (a) of Mr. Satyamurti's starred question No. 773 on the 24th September, 1937.

(d) No, Sir.

(e) Government are not yet in a position to give a reply on the point.

Mr. Manu Subedar: With regard to (e), have any instructions been given to the Government representative to embody a special term referring to British colonies in these agreements?

Mr. H. Dow: I am not prepared to disclose the nature of any instructions given to the Government delegate.

EVICTIION NOTICE SERVED ON KANDAPOLA INDIAN IMMIGRANTS IN CEYLON.

331. ***Mr. Govind V. Deshmukh** (on behalf of Seth Govind Das): Will the Secretary for Education, Health and Lands please state:

- (a) whether it is a fact that Mr. E. W. Abeygunasekera at a meeting of the State Council of Ceylon gave notice of a motion for the suspension of and extension to the notices served on Indian labourers at Kandapola till such time as Government can offer a suitable crown allotment as an exceptional measure in view of their long residence in the island;
- (b) what has been the action of the Government of Ceylon thereon;
- (c) the reason why the eviction notice was served on Kandapola Indian immigrants;
- (d) what the strength of the Indian population in Kandapola is;
- (e) whether a deputation waited on His Excellency the Governor for the purpose;
- (f) what the decisions of His Excellency the Governor were; and
- (g) whether Government offered any suggestions in the matter?

Sir Girja Shankar Bajpai: (a) Yes.

(b) The motion has not yet been moved.

(c) The Indian lessees in Kandapola have held the Crown lands in question on annual leases, the terms of which do not require any reason to be assigned for the termination of the leases. Government understand that the Honourable Minister for Agriculture and Lands stated that the lands were required for the purpose of settling the people of Kandapola itself on the land.

(d) The population of Kandapola Sanitary Board Town at the Census of 1931 was 881. Separate figures are not available to show the strength of the Indian population in this township.

(e) and (f). So far as Government are aware no deputation waited on His Excellency the Governor in this connection.

(g) The Agent of the Government of India in Ceylon has made suitable representations to the Government of Ceylon who have the matter under consideration.

Mr. Ram Narayan Singh: May I know what is the purport of the notice referred to in part (a) of the question?

Sir Girja Shankar Bajpai: The purport of the notice, Sir, is that the lessees shall at the end of the term of the lease leave their lands.

FIRING ON INDIAN WORKERS IN MAURITIUS.

332. ***Mr. Govind V. Deshmukh** (on behalf of Seth Govind Das): Will the Secretary for Education, Health and Lands be pleased to state:

- (a) whether it is a fact that in a certain estate of Mauritius firing was resorted to on Indian workers sometime in October or beginning of November to quell rioting;
- (b) the reason for the rioting;
- (c) whether Government called for detailed information in the matter;
- (d) the number of Indian workers at present in that Colony; and
- (e) the average wage they are paid per month?

Sir Girja Shankar Bajpai: (a) Yes. The incident occurred in August last.

(b) The reported causes of unrest were (1) dissatisfaction with the reduction in the price offered by estates for a certain variety of cane widely planted in the area affected, (2) wage rates, and (3) the widely prevalent system of recruiting and paying casual labourers through a contractor.

(c) The attention of the Honourable Member is invited to my reply to part (b) of **Mr. S. Satyamurti's** starred question No. 837 on the 28th September, 1937.

(d) and (e). Government are informed that the Indian labour population in the Colony numbers about 80,000, of whom about 30,000 reside on estates. Resident estate labourers earn about Rs. 20 per month and casual labourers about 75 cents a day during the non-reaping season and Re. 1 a day during the reaping season.

ORDER FOR VACATION OF SEATS ON THREE INDIAN MEMBERS OF THE FIJI LEGISLATIVE COUNCIL.

333. ***Mr. Govind V. Deshmukh** (on behalf of Seth Govind Das): Will the Secretary for Education, Health and Lands be pleased to state:

- (a) whether it is a fact that on 24th September last three Indian members of the Fiji Legislative Council did not attend the first session of the Council as a mark of protest against the Governor's action in giving precedence to a nominated member over those who had been directly chosen by the Indian community;

- (b) whether it is a fact that on the 28th September the three Indian members attended but were not sworn in and the Governor ordered them to vacate their seats;
- (c) whether the Indian members so ordered to vacate their seats appealed to Government against the arbitrary action of the Governor;
- (d) whether Government represented the matter to His Majesty's Government in the Colonial Department for a guarantee against a recurrence of such arbitrary actions;
- (e) if so, what the results are; and
- (f) if the reply to part (d) be in the negative, what are Government's reasons for not doing so?

Sir Girja Shankar Bajpai: (a) Yes.

(b) and (c). The attention of the Honourable Member is invited to the reply given in the Council of State on the 15th November, 1937, to the Honourable Raja Yuveraj Dutta Singh's question No. 317.

(d) to (f). Do not arise.

MONOPOLISTIC TRADE POLICY PURSUED IN AFGHANISTAN.

334. ***Mr. Govind V. Deshmukh** (on behalf of Seth Govind Das): Will the Commerce Secretary please state:

- (a) whether it is a fact and Government are aware that the Afghanistan Government have defined their policy of monopolising all Indo-Afghan trade for the benefit of some particular concerns by establishing a special department at Peshawar for the sale of Afghan produce;
- (b) whether it is a fact that the Afghanistan Government started a Bank at Peshawar, styled as the Afghan National Bank, fully empowered to settle exchange questions and fix rates for the exchange;
- (c) whether Government are aware that the Afghanistan Government with a view to pursuing the policy to monopolise the entire dry-fruit trade in this country, have floated a company, thus throwing Indian merchants out of the field;
- (d) whether Government raised any objection to this monopolistic policy of trade pursued in that country to the exclusion of Indians from the field;
- (e) whether representations were made to Government on the matter either by the mercantile community of the North-West Frontier Province, or from the Government in that Province or from both;
- (f) the action taken by Government, if any; and
- (g) the extent to which Indian merchants will be involved in loss, if the Afghan monopolistic trade policy in that country is carried out?

Mr. H. Dow: (a) No, Sir.

(b) The Afghan National Bank has a branch at Peshawar. So far as Government are aware, the Branch has no power to settle exchange questions or to fix rates of exchange.

(c) The Honourable Member is referred to the reply given by me to part (e) of Mr. Abdul Qaiyum's starred question No. 69 on the 1st February, 1938, I should add that I have taken the words "in this country" in that part of the question to mean "in that country". If the Honourable Member is under the impression that the Afghan Government have set up any such organisation in India, he is entirely in error.

(d) The Government of India have not considered it possible to object to the Afghan monopoly system which is not discriminatory against Indians.

(e) Yes, by the mercantile community.

(f) The matter is under consideration

(g) It is not possible to frame any estimate.

Mr. Lalchand Navalrai: May I know if the Afghan Government have set up such an organisation in Afghanistan against India?

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

Mr. Lalchand Navalrai: With respect to the monopoly that is being made either here or there?

Mr. President (The Honourable Sir Abdur Rahim): This is between Afghanistan and India.

Mr. Abdul Qaiyum: How long will the Government take to come to a decision on this point about making representations to the Afghan Government,—because the situation is very acute?

Mr. H. Dow: There is a later question on today's paper about that.

Maulvi Syed Murtaza Sahib Bahadur: Is it not a fact that the interests of bankers in Peshawar were depreciating the exchange value of Afghan money, and, therefore, the Afghan Government were put to the necessity of setting up a National Bank there and carrying on their own business in the interests of Afghanistan but not against the interests of India?

Mr. H. Dow: I am afraid that is asking me for an expression of opinion which I am not prepared to give.

Maulana Zafar Ali Khan: May I ask whether it is not a fact that in the matter of the dry fruit trade the capitalists in Northern India buy fruit at the rate of Rs. 3 a maund and sell it at the rate of Rs. 45 a maund and thereby deprive Afghanistan of the right of natural development and commercial evolution?

Mr. H. Dow: I am aware that allegations have been made to that effect, and that probably they do buy cheaper than they sell, but if I am required to give details of prices, I shall require notice.

Maulana Zafar Ali Khan: May I know whether the Government of India propose to enter into a trade agreement with the Afghanistan Government at the earliest possible moment?

Mr. H. Dow: That is not a matter which arises out of this question.

Mr. Abdul Qaiyum: Is it not a fact that possibly under competitive conditions the sellers in Afghanistan could get much better prices than under a system of monopoly?

Mr. H. Dow: That is a purely hypothetical question.

RESTRICTIONS ON INDIAN RESIDENTS AND TRADERS IN AFGHANISTAN.

335. ***Mr. Govind V. Deshmukh** (on behalf of Seth Govind Das): Will the Commerce Secretary please state:

- (a) whether it is a fact that the Afghanistan Government do not buy anything from India and realise huge custom duty, ranging between 25 and 60 per cent. on Indian export;
- (b) whether it is a fact that no import duty is levied in India on goods from Afghanistan;
- (c) whether it is a fact that the Afghan Government have imposed severe restrictions on the Indian residents in the country in the matter of purchasing property and doing independent trade;
- (d) whether it is a fact that no Indian is allowed to set up a commercial concern in Afghanistan until he deposits a specified security with the Government of Afghanistan;
- (e) whether it is a fact that an Indian merchant doing business in Afghanistan cannot leave that country without the permission of that Government;
- (f) whether Government have taken any action in matters relating to the position of Indian residents and traders in Afghanistan, if so, what they are?

Mr. H. Dow: (a) The reply to the first portion is in the negative. Exports of Indian produce to Afghanistan during the seven months, 1st April to 31st October, 1937, amounted to about Rs. 36 lakhs. As regards the Afghan customs duties, the rates vary from one to 50 per cent.

(b) The Honourable Member's attention is invited to the reply given by me to the latter part of Mr. Abdul Qaiyum's starred question No. 70 on the 1st February, 1938.

(c) The restrictions referred to are imposed on all foreigners resident in Afghanistan.

(d) It is believed that any foreigner wishing to set up a private business in Afghanistan is called upon to furnish security to ensure payment of any debts that may be incurred.

(e) No foreigner is permitted to leave Afghanistan without first obtaining an exit visa from the Government authorities.

(f) Representations have been made to Afghan Government from time to time on behalf of individual Indian residents or traders who have suffered hardship from these regulations. It should be understood, however, that the position of Indian residents and traders in Afghanistan does not, so far as Government are aware, differ from that of any other foreign residents and traders.

Mr. Abdul Qaiyum: With reference to part (f) of the question, may I know how long the Government of India will take to come to a decision on this point, I mean the point which I mentioned with reference to the previous question?

Mr. H. Dow: I am not sure what point the Honourable Member is referring to, but I have stated that we have already made representations to the Afghan Government authorities.

Mr. Abdul Qaiyum: May I know if the Government will consider the desirability of imposing similar conditions as are imposed on Indian merchants and Indian nationals in Afghanistan?

Mr. H. Dow: I have stated repeatedly that no discrimination against Indians is made by the Afghan Government, and, therefore, the question of any retaliation obviously does not arise.

Mr. Abdul Qaiyum: Is it not a fact that the Indian motor drivers are not allowed to stay for more than five days at a time and that this restriction does not apply in the case of non-Indian foreigners?

Mr. H. Dow: I am not aware of that.

Mr. Abdul Qaiyum: Will the Government make inquiries on this point?

(No answer.)

Mr. Abdul Qaiyum: May I know if it is a fact that only Indian drivers are not allowed to ply their lorries on roads other than those which are between Kabul and Peshawar and Kandhar?

Mr. H. Dow: I am not aware of that.

Mr. Abdul Qaiyum: Is it a fact that a similar discrimination is not applied in the case of other British subjects?

Mr. H. Dow: I replied to the former question that I was not aware of it. The second question which I am asked assumes that I have answered the former question in an entirely different manner.

Mr. Abdul Qaiyum: I take it that the Government of India do not take enough interest in the matter and have not made inquiries in the matter. Will the Government of India now take a serious step and inquire into this matter?

Mr. H. Dow: That is not a question but an insinuation.

Mr. Abdul Qaiyum: It is not an insinuation. The Honourable Member has admitted that he has not made inquiries : . . .

Mr. President (The Honourable Sir Abdur Rahim): Therefore, the Honourable Member (Mr. Abdul Qaiyum) is suggesting that they are not taking any interest in this question. That is a matter of inference or argument.

Maulvi Syed Murtuza Sahib Bahadur: Is it not a fact that in spite of all these restrictions more than 40 per cent. of traders are Indians in Kabul?

Mr. H. Dow: I am not aware of that.

Maulana Zafar Ali Khan: May I ask whether the Honourable Member is aware that a publication has been issued recently by the Pashto Company in Delhi in which it has been declared that they want the relations between India and Afghanistan to be harmonious, and that they are not guilty of any mal-treatment of the Indian public in Afghanistan?

Mr. H. Dow: I have received a copy, and I imagine that every other Member of the Assembly has received a copy, of the communication which the Honourable Member refers to.

INDIA'S FOREIGN TRADE AND TRADE AGREEMENTS WITH FOREIGN COUNTRIES.

+336. ***Sath Govind Das:** Will the Commerce Secretary please state :

- (a) whether Government have examined the notes submitted by Sir Purshotamdas Thakurdas, leader of the Indian trade delegation to Great Britain, in respect of India's foreign trade and particularly with Germany;
- (b) whether it is a fact that between the years 1928-29 and 1936 exports from India to Germany have fallen to the tune of nearly 200 million rupees;
- (c) whether Government are aware that Germany has made arrangements with Roumania and Yugoslavia whereby the two latter countries will bring special areas under cultivation for oil seeds for supply to Germany under barter-arrangements, and similar barter-arrangements have been concluded by Germany with the Argentine, Egypt and South America for other materials;
- (d) the extent to which Persia and Turkey have ousted India from the field of export of short stapled cotton to Germany;
- (e) the action or actions Government have taken for counteracting the effect of such arrangements and fulfilling Germany's urgent need for such produce as oil-cake, etc.;
- (f) whether Government, while pursuing negotiations with the United Kingdom, have examined the possibilities of concluding profitable bilateral arrangements with other countries; if so, what they are; if not, the difficulties of Government for not doing so;

+ Answer to this question laid on the table, the questioner having exhausted his quota.

- (g) whether Government have examined the feasibility of trade agreements with Italy, Germany and other countries who were good buyers of Indian material;
- (h) whether Government have arrived at any decision or concluded any agreements with any of those countries;
- (i) if not, their difficulties for not doing so;
- (j) whether Government propose giving publicity to the results of such endeavours on their part in view of the strong public opinion on the matter; if so, when and, if not, their reasons therefor?

Mr. H. Dow: (a) I do not know to what notes exactly the Honourable Member is referring, but if he has in mind the letters sent by Sir Purshotamdas Thakurdas, Chairman of the Committee of Un-official Advisers for the Indo-British Trade Negotiations, which appeared in the Press, the reply is in the affirmative.

(b) Yes.

(c) Germany imports her requirements of oil seeds very largely from certain countries, such as Roumania and Yugoslavia, with whom she has entered into special trade agreements. As regards the latter portion of this part, I would refer the Honourable Member to the reply given by me to part (b) of Mr. Govind V. Deshmukh's starred question No. 217 on the 14th February, 1938.

(d) The Honourable Member is referred to the quarterly report of the Indian Government Trade Commissioner, Hamburg, for the period July-September, 1937, and to Appendix B thereto. The information contained therein does not show that India has lost any ground to Iran and Turkey in respect of exports of this type of cotton to Germany. The report is published in the *Indian Trade Journal* of the 30th December, 1937, a copy of which is in the Library.

(e) Government have not found it necessary to take any action besides keeping the trade position under constant review.

(f) to (i). Government have independently examined the matter and have come to the conclusion that as a general matter of policy the conclusion of bilateral trade agreements with foreign countries is not likely to be in the interests of India.

(j) A series of Press Notes were issued in 1936 relating to the foreign trade policy of India.

FALL IN THE IMPORTS OF ZANZIBAR CLOVES.

337. ***Mr. M. Asaf Ali** (on behalf of Mr. T. S. Avinashilingam Chettiar): Will the Secretary for Education, Health and Lands state:

- (a) whether he is aware that attempts have been made to induce merchants in Madras and Bombay to take Zanzibar cloves;
- (b) what has been the percentage of fall in imports of Zanzibar cloves into India after the starting of the passive resistance struggle in Zanzibar; and
- (c) if so, to what extent?

Sir Girja Shankar Bajpai: (a) Government have no information beyond what has appeared in the Press.

(b) and (c). The figures of imports of cloves into British India from Kenya, Zanzibar and Pemba during the period from July to December, 1937, indicate a fall of about 90 per cent. as compared with the imports during the corresponding period of 1936.

Mr. M. Asaf Ali: May I know what steps Government are taking to rectify this position? There seems to be a serious dislocation of cloves trade, and may I know what steps are Government taking to rectify it?

Sir Girja Shankar Bajpai: I thought the dislocation of the clove trade was the result of the boycott which my Honourable friends opposite favour.

Mr. M. Asaf Ali: Precisely: but what steps are you taking to rectify the position?

Sir Girja Shankar Bajpai: To rectify which position?—the clove trade or the dispute in Zanzibar?

Mr. M. Asaf Ali: The dispute in Zanzibar?

Sir Girja Shankar Bajpai: As regards the dispute, I have already answered questions in the early part of this Session to the effect that some representations from the Resident have been received and are under consideration now.

MARKETING SURVEYS STARTED ON CERTAIN ARTICLES.

338. ***Mr. M. Asaf Ali** (on behalf of Mr. T. S. Avinashilingam Chettiar): Will the Secretary for Education, Health and Lands state:

- (a) on what articles marketing surveys have been started;
- (b) in how many cases the surveys have been completed; and
- (c) what steps Government propose to take to make the knowledge of the surveys popular?

Sir Girja Shankar Bajpai: (a) and (b). I lay on the table a statement giving the information required.

(c) The All-India reports on marketing surveys are published for general information. The Provincial Governments also intend to print their local survey reports subsequently along with a summary of the general All-India reports. Abridged versions of the latter are being published in Hindi and Urdu. Experimental grading and marking stations have been established at 25 centres and several trade conferences have been held with representative associations with a view to the adoption of standard contract terms in respect of particular articles. Marketing demonstrations are being given at various exhibitions, and daily and weekly broadcast market news services have been started.

Statement.

(a) Marketing surveys have been undertaken in respect of the undermentioned commodities and subjects:

Wheat, tobacco, linseed, grapes, cattle, eggs, coffee, rice, hides and skins, groundnuts, bananas, milk, ghee, fruits (various), cocoanuts, potatoes, Brassica, oilseeds, barley, gram, maize, sheep, wool, jute, lac, sugar, co-operative marketing and markets and fairs.

(b) The surveys on wheat, tobacco, linseed, grapes, cattle, eggs and coffee have been completed.

ORDERS PLACED BY THE INDIAN STORES DEPARTMENT FOR MATERIAL OF INDIAN AND NON-INDIAN ORIGIN.

339. ***Mr. Manu Subedar:** (a) Will the Commerce Secretary be pleased to state what percentage of the orders placed by the Indian Stores Department in India consisted of material made in India, and what percentage was of non-Indian origin?

(b) Are Government taking any steps to secure the production in India of material at present imported as of necessity?

(c) Was there any material of non-Indian origin brought in, which is being made in this country, and which was not ordered either because it was not of satisfactory quality or for any other reason?

Mr. H. Dow: (a) and (b). The Honourable Member will find the information he requires in the annual Administration Reports of the Indian Stores Department, Industrial Research Bureau, and in the book "The Indian Stores Department and assistance to Indian Industries (1931)", copies of which are available in the Library of the House. I should like to add that if the Honourable Member has any difficulty in finding his way about these publications, I shall be only too pleased to give him any assistance he may require.

(c) Owing to the undeveloped state of some industries in this country, it is sometimes found necessary to purchase imported articles in preference to indigenous substitutes that may be available, either for reasons of efficiency or economy, in spite of a measure of preference being given to indigenous products in all possible cases.

Mr. Manu Subedar: Have Government on hand any inquiry with regard to articles which are required for defence purposes but which are not at present produced in India, an inquiry as to how and in what way the production of these articles can be brought about in India?

Mr. H. Dow: I believe a certain number of such inquiries are in progress in other Departments.

Mr. Manu Subedar: Will Government be pleased to inform this House at an early date how far the inquiry has progressed?

Mr. H. Dow: That is a matter of which I shall require notice.

DISCRETION GIVEN TO THE INDIAN STORES DEPARTMENT TO PAY A CERTAIN PREMIUM TO ARTICLES MADE IN INDIA

340. ***Mr. Manu Subedar:** (a) Will the Commerce Secretary be pleased to state in which cases the discretion given to the Indian Stores Department to pay a premium up to fifteen per cent. in favour of an Indian-made article, when it is of the quality which will serve the purpose, as against the price of an imported article, has been used?

(b) What is the total amount, of which full accounts are available, spent during the last three years from Government funds towards such a subsidy?

Mr. H. Dow: (a) As has been repeatedly stated on the floor of this House and of the Council of State, no definite percentage of price preference which may be given to articles produced or manufactured in India,

over imported articles, has been laid down. Each case is considered on its merits in consultation with the using Departments, and in arriving at a decision to grant a price preference, the principles enunciated in the Stores Purchase Rules are followed.

(b) Cases in which a preference in price is given to articles produced or manufactured in India are treated as confidential, and Government do not consider that it will be in the public interest to discuss any details relating to such cases on the floor of the House.

Mr. Manu Subedar: Can the Honourable Member contradict my statement if I say that 15 per cent. preference has not been given in many cases?

Mr. H. Dow: I am not prepared to discuss that matter at all. If the Honourable Member will ask a question, I will do my best to answer it; but in so far as he is volunteering information, it is not my purpose to deal with it now.

Mr. Manu Subedar: Can the Honourable Member assure the House that the discretion given to the Chief Controller of Stores to give price preference in favour of Indian articles has been actually exercised to the extent to which discretion has been given?

Mr. H. Dow: Yes, Sir. The discretion has been very frequently used.

LABOUR LEGISLATION IN PROVINCES.

341. ***Mr. Manu Subedar:** (a) Will the Labour Secretary be pleased to lay on the table a summary of labour legislation in different Provinces?

(b) Have Government taken any steps to secure a co-ordination of, or, uniformity in, such legislation?

(c) Have there been any communications received by the Government of India from the Provincial Governments on this subject?

Mr. A. G. Glow: (a) A bulletin No. 61 of the Bulletins of Indian Industries and Labour, which is entitled 'Indian Labour Legislation (1932-37)', summarises labour legislation up to the introduction of Provincial Autonomy. A copy is in the Library of the House.

(b) Only in respect of unemployment statistics.

(c) No, with the exception of the replies relating to unemployment statistics.

MEASURES OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA FOR ASSISTING AND SUBSIDISING EXPORT OF COTTON.

342. ***Mr. Manu Subedar:** Will the Commerce Secretary be pleased to state:

(a) whether they are aware of the various measures taken by the Government of the United States of America for assisting and subsidising the export of cotton from that country;

(b) what is the measure of such subsidy;

- (c) whether Government have considered that such action will affect the export of Indian cotton from India; and
- (d) what steps Government propose to counteract this effect?

Mr. H. Dow: (a) Government have received reports about certain measures of assistance granted by the Government of the United States of America to cotton growers in that country.

(b) So far as Government are aware, a subsidy is paid in respect of the 1937 crop equal to the difference between 12 cents a lb., and the average market price of middling cotton subject to a maximum of three cents a lb. payable on two thirds of the crop. It also appears that an additional subsidy of about two cents a lb. is paid to the grower if no cotton is grown on part of his land.

(c) and (d). It is impossible to estimate in isolation the precise effect of any one factor which may affect the export of Indian cotton, but Government are carefully watching the situation.

Mr. Manu Subedar: Have Government heard of the apprehension in the cotton trade in Bombay that on account of the American subsidy, the habitual buyers of Indian cotton are now being diverted to the purchase of American cotton of like quality?

Mr. H. Dow: Yes, Sir. Government are in touch with the trade and they have heard of such apprehension. I know that it exists.

Mr. Manu Subedar: In view of the distress caused to cotton cultivators on account of the low price which cotton is fetching now, what steps do Government propose to take to subsidise the export of Indian cotton in order to counteract the effect of American Government's action?

Mr. H. Dow: I have stated that the matter is under consideration of Government, but I am unable to indicate the nature of the steps which may be found necessary.

COLLIERY LANDSLIDES AT CERTAIN PLACES.

343. ***Mr. Brojendra Narayan Chaudhury:** Will the Honourable Member in charge of Labour please state:

- (a) if there were landslides in South Alkusa Colliery in Kenduadih Police Station and in Lodna Colliery in November and December last, as a result of which buildings have been damaged and people have been ordered to vacate houses;
- (b) if colliery landslides are more frequent now than formerly;
- (c) the reasons for these landslides; and
- (d) the further steps, if any, proposed to be taken to minimise chances of landslides?

Mr. A. G. Clow: (a) In November cracks appeared in a small portion of the Police Station at Kenduadih owing to a subsidence of the surface. Part of the building was declared to be unsafe and was required to be vacated. There was also a collapse of the surface at Lodna colliery in December due to the crushing of pillars in some old workings. The

crushing had been noticed some weeks before the collapse and all the buildings were ordered to be vacated and were fenced off. Neither of these subsidences can be properly termed "landslides".

(b) Since April, 1936, when the Indian Mines (Amendment) Act, 1936, gave the Mining Inspectorate additional powers, the number of collapses involving occupied buildings has decreased considerably.

(c) The attention of the Honourable Member is invited to paragraphs 68 and 69 of the Report of the Coal Mining Committee.

(d) Action is constantly being taken by the Mines Department under section 19 of the Indian Mines Act to minimise the chances of accidents due to subsidences. The recommendations made by the Coal Mining Committee relating to the control of first workings and the introduction of a scheme of sand stowing are under consideration, and these recommendations, if adopted, should substantially reduce the risk of premature collapses.

Mr. Brojendra Narayan Chaudhury: Are there Government Inspectors to visit these mines and to see that the rules are obeyed?

Mr. A. G. Olow: Certainly; there are Government Inspectors charged with the duty of inspecting the mines.

Mr. Brojendra Narayan Chaudhury: Are these accidents due in any way to negligence on the part of any of these Inspectors?

Mr. A. G. Olow: No, Sir,

Mr. Ram Narayan Singh: Have any rescue stations been established in that area?

Mr. A. G. Olow: I think there is a small private one in one colliery.

MAKING INDIA SELF-SUFFICIENT IN THE MATTER OF FOOD CROP.

344. ***Mr. Brojendra Narayan Chaudhuri:** Will the Secretary for Education, Health and Lands please state:

- (a) if any survey has been made during the last ten years to find out the quantities of different food crops raised annually in British and Native India;
- (b) if any survey has been made during the last ten years to find out the total actual consumption of those food crops in British and Native India;
- (c) if any survey has been made to find out the requirements of those food crops for consumption by the present population of British and Native India; and
- (d) if India is at present self-sufficient in the matter of food crop supplies?

Sir Girja Shankar Bajpai: (a) Figures of area and yield of the principal food crops are collected and published every year by the Director-General of Commercial Intelligence and Statistics.

(b) and (c). No.

(d) I would refer the Honourable Member to the reply given to starred question No. 158 on the 7th February, 1936.

Mr. Brojendra Narayan Chaudhury: Will the Honourable Member make an enquiry about parts (b) and (c) about the actual requirements?

Sir Girja Shankar Bajpai: That is a matter for Local Governments.

Maulvi Abdur Rasheed Chaudhury: Is India self-sufficient in the matter?

Sir Girja Shankar Bajpai: According to the answer which I gave in 1936 in reply to starred question No. 158, the Government of India have no reason to believe that there is not sufficiency.

Mr. Brojendra Narayan Chaudhury: Can any Local Government make a survey all over India?

Sir Girja Shankar Bajpai: I am not saying that the Local Governments have jurisdiction all over India; but surely a Local Government have jurisdiction over its own territories.

REPUDIATION OF CONTRACTUAL LIABILITY IN RESPECT OF COTTON BY JAPAN.

345. ***Mr. Manu Subedar:** (a) Will the Commerce Secretary state whether Government are aware of a resolution passed by the Japan Cotton Spinners Association in respect of high-priced cotton contracts to the effect that full value will not be remitted to India?

(b) Are Government aware that the loss to Indian exporters and cotton merchants ranges from half a crore to one crore of rupees on account of this repudiation of contractual liability by the Japanese?

(c) Have Government made any representation to the Japanese Government, pointing out the inequity of this action?

(d) Would the action of the Japan Cotton Spinners Association, which is a semi-Government body, not involve a material breach of the Indo-Japanese Trade Agreement, entitling the Government of India to terminate that Agreement without any further notice?

Mr. H. Dow: (a) Government are aware that difficulties exist in regard to the remittance of funds for cotton bought above current market prices.

(b) Government are not aware of any repudiation of contractual liability.

(c) No, Sir. Government are making further inquiries into the facts, and are in correspondence with His Majesty's Government on the subject.

(d) On the facts at present in possession of Government, it does not appear that any breach of the Indo-Japanese Agreement has been involved.

Mr. Manu Subedar: With reference to part (b) are Government aware that there are other difficulties, apart from the high priced contracts in connection with consignments of cotton which have been sent and full value thereof is being retained?

Mr. H. Dow: I am aware that there are other difficulties, particularly relating to the provision of adequate shipping freight.

Mr. Mann Subedar: With reference to part (c), when do Government expect to have a reply from His Majesty's Government to the communications which have been sent?

Mr. H. Dow: I am afraid I cannot answer that question, but His Majesty's Government are aware of the urgency of the matter.

Mr. Mann Subedar: With reference to part (d), is the matter under examination—the matter as to whether this will or will not constitute a breach of Indo-Japanese Trade Agreement—by the Department and the Legal Advisers of the Department?

Mr. H. Dow: The matter has been examined by Government and on the facts that are at present before Government, as I have stated, we are of opinion that no breach of the Agreement is involved.

SUGAR-CANE CROPS IN THE DELHI PROVINCE.

346. ***Mr. M. Asaf Ali:** Will the Secretary for Education, Health and Lands please state:

- (a) whether Government are aware that the sugar-cane crops in the Delhi Province, and particularly those in the irrigated area, have suffered from a pest, and the yield has been reduced by nearly 80 per cent; and
- (b) if so, what steps Government are taking (i) to remit the revenue demand and (ii) to grant *taqavi* to the agriculturists of the affected area?

Sir Girja Shankar Bajpai: (a) Yes, but the extent of the damage is probably not more than 50 per cent.

(b) The question of granting relief to the agriculturists of the affected areas is receiving the attention of the local administration. Relief in the shape of suspensions of revenue in the Dabar areas has already been given.

WELLS TAX IN THE DELHI PROVINCE.

347. ***Mr. M. Asaf Ali:** Will the Secretary for Education, Health and Lands please state:

- (a) whether Government are aware that the wells tax in the rural area of the Province of Delhi has been protested against at a series of agriculturists conferences during the last three years; and
- (b) if so, what steps Government have taken to investigate the hardships complained of, and to abolish these taxes?

Sir Girja Shankar Bajpai: (a) and (b). The attention of the Honourable Member is invited to the reply given by me to parts (a) and (b) of his question No. 346 on the 14th September, 1936.

Mr. M. Asaf Ali: May I know what steps have Government taken to remit these taxes?

Sir Girja Shankar Bajpai: Sir, if my Honourable friend will refresh his memory, he will recollect that what I said was that Government did not admit that this was a separate tax; it was part of the ordinary land revenue leviable by reason of the irrigation advantage gained by these particular tracts.

Mr. M. Asaf Ali: I am referring to the professional tax and not to the wells tax. What steps have the Government taken, since my question was answered last time, to relieve the distress caused by the profession tax which falls very heavily on the poor professions, like the cobblers', the carpenters' and smiths' and so on who are affected by these things?

Sir Girja Shankar Bajpai: My Honourable friend in the first part of his question referred to wells tax, and I confess that I have limited my reply to wells tax. As regards professional tax, I am quite prepared to take up the matter with the Local Administration and to get up-to-date facts.

Mr. M. Asaf Ali: I should be grateful if you would kindly do so.

INDO-BRITISH TRADE AGREEMENT.

†348. ***Mr. Manu Subedar:** (a) Will the Commerce Secretary state the policy of Government with regard to the Indo-British Trade Agreement as to the period for which such agreement is intended to be made?

(b) Will there be a provision that the Federal Ministry, immediately on assumption of power, would be in a position to terminate such an agreement if it was, in their opinion, not in the best interests of India?

(c) Is it the intention of Government not to make any agreement for the next few months in view of the declaration of His Excellency the Viceroy that the date of the establishment of the Federation is being expedited?

Mr. H. Dow: (a) and (b). The Honourable Member's attention is invited to the answer given by Sir Saiyid Sultan Ahmed on the 29th September, 1937, to parts (b) to (h) of Mr. Satyamurti's starred question No. 880 in this House.

(c) No, Sir.

X-RAY SKIAGRAM CHARGES IN THE LADY HARDINGE INSTITUTE, NEW DELHI.

349. ***Mr. Badri Dutt Pande:** (a) Will the Secretary for Education, Health and Lands be pleased to state what the charges are for X-Ray Skiagrams in the Lady Hardinge Institute, New Delhi?

(b) Did the Medical Council recommend to Government that the charges are very high and that they be reduced?

†Answer to this question laid on the table, the questioner having exhausted his quota.

(c) What action, if any, have Government taken on the representation of the Medical Council? If none, why not?

Sir Girja Shankar Bajpai: (a) Details of charges for X-Ray examination at the Lady Hardinge Hospital are given in the "Memorandum of Association Rules and Regulations and Bye-laws", of the Lady Hardinge Medical College and Hospital, an extract of which is laid on the table of the House.

(b) No.

(c) Does not arise.

An extract of the Memorandum of Association Rules and Regulations and Bye-laws of the Lady Hardinge Medical College and Hospital.

3. Well-to-do patients will be charged for X-Ray and electrical examinations at the rates given below :—

		Rs.
1. Barium Meal Examination of the whole of the alimentary tract	6 Skiagrams	64
2. Barium Meal Examination of stomach only		32
3. Barium Enema		32
4. Cholecystography	5 Skiagrams	50
5. Pyelography	6 „	50
6. Urinary Tract	3 „	32
7. Chest		16
Chest including Screening		32
8. Extremities, i.e., Bones, Joints, etc.		16
9. Abdomen for pregnancy or soft tumour		16
10. Hysterogram		32
11. Spine		16
12. Elect. 1st application (after that As. 8 per application)		5

Mr. Badri Dutt Pande: With reference to part (a), is it a fact that half of the fee charged for skiagrams is paid to the expert or the doctor in charge of X-Ray?

Sir Girja Shankar Bajpai: My Honourable friend's question is what the charges are. He has not asked me for the allocation of these charges. I am afraid I cannot say how they are divided up.

COMPETITION BETWEEN BRITISH AND INDIAN SHIPPING COMPANIES
CARRYING HAJ PILGRIMS.

350. ***Maulvi Abdur Rasheed Chaudhury:** (a) Will the Commerce Secretary please state whether Government are aware that British Shipping Companies at Karachi reduced the fare between Karachi and Jeddah from Rs. 172 to Rs. 20 when the Scindia Steam Navigation Company was booking passengers of Haj pilgrims for their steamers *El Medina* and the *Englisthan* in December and January last?

(b) Is it a fact that as soon as *El Medina* and *Englisthan* sailed with the Haj pilgrims for Jeddah, the British Shipping Companies again raised the fares to Rs. 172?

(c) Is it not a fact that the Commerce Secretary stated in the last September Session of the Council of State that a little competition in the shipping line by Indian companies will be welcome? If so, are Government aware of the reason for this opposition to the Scindia Steam Navigation Company by the British Shipping Companies at Karachi?

Sir Girja Shankar Bajpai: (a) and (b). Government have seen press reports to the effect mentioned but have received no formal representations from any of the interests concerned. Only one other company is involved.

(c) First part. Yes.

(c) Second part. Government have no information.

Maulvi Abdur Rasheed Ohaudhury: Do Government propose to make an inquiry into the allegation that the British shipping companies reduced their fares when the Scindia Navigation Company were taking pilgrims to Jeddah?

Sir Girja Shankar Bajpai: I think my Honourable friend may rest assured that the Scindia Company are fairly vigilant watchmen of their own interests. If they feel that they need the assistance of Government, they will invoke that assistance.

ELECTIONS TO THE CENTRAL LEGISLATIVE ASSEMBLY.

†351. ***Sardar Mangal Singh:** Will the Honourable the Leader of the House please state:

- (a) whether the general elections to the Federal Legislature will take place this year under the new constitution; and
- (b) whether the general elections of the Central Legislative Assembly will be held this year under the old constitution if the Federation is delayed by another year?

The Honourable Sir Nripendra Sircar: (a) I am not in a position to forecast the date of the general elections to the Federal Legislature.

(b) I have nothing to add to my reply on the 14th February, 1938, to part (c) of Mr. Mohan Lal Saksena's starred question No. 232.

ELECTION RULES OF THE FEDERAL LEGISLATIVE ASSEMBLY.

†352. ***Sardar Mangal Singh:** Will the Honourable the Leader of the House please state:

- (a) when the election rules of the Federal Legislative Assembly will be made; and
- (b) whether the Provincial Governments would be consulted in the matter?

The Honourable Sir Nripendra Sircar: I am not in a position to make any statement on the points raised by the Honourable Member.

†Answer to this question laid on the table, the questioner being absent.

†353*.

REORGANISATION OF THE IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH.

354. ***Mr. C. N. Muthuranga Mudaliar:** Will the Secretary for Education, Health and Lands please state:

- (a) if it is a fact that in connection with the re-organisation of the Secretariat as a result of the Wheeler and Maxwell Committee reports, it is proposed to reorganise the Imperial Council of Agricultural Research, and if so, what is the character and nature of the re-organisation contemplated;
- (b) whether the Government of India have reached the conclusion that it should not be continued as a Department of the Secretariat;
- (c) what was the cost of the office when it first came into existence and what is its cost now;
- (d) whether it is a fact that the cost of the Department has greatly increased during the last four years;
- (e) whether Government propose to consider the desirability of reducing the Department to a size which is suited to the work that it is expected to perform in the future, and effect all possible economies, if necessary, by retrenchment;
- (f) whether it is proposed to examine further the question of re-organisation of the office through an Indian Civil Service officer yet to be appointed; and if so, the reasons for such an appointment and whether it is a fact that the question has already been examined by an Indian Civil Service officer; and
- (g) the future organisation of the office now contemplated?

Sir Girdja Shankar Bajpai: (a), (b) and (e). Some adjustment of the administrative responsibilities of the Imperial Council of Agricultural Research is contemplated, mainly as a result of the examination of Sir John Russell's Report. It is hoped to make an announcement shortly of the decisions reached. It is not possible yet to estimate the financial results of such reorganisation.

(c) The cost of the Secretariat of the Imperial Council of Agricultural Research during 1930-31—the first full year after its establishment—was Rs. 2,38,000, and the cost during 1937-38 is estimated at Rs. 3,40,000.

(d) There has been an increase in the cost during the last four years.

(f) An officer was appointed on temporary special duty to examine the Reports of both Sir John Russell and Dr. Wright. He did not examine the details of organisation of the office of the Imperial Council of Agricultural Research in the light of the readjustment referred to in the answer to part (a). An officer of the status of Under Secretary is to be appointed for a period not exceeding six months to assist in the reorganisation referred to in part (a) of the answer.

(g) No new office is contemplated.

†For this question and its answer, see pages 765-69 of these Debates.

VEGETABLE SHOPS IN GOL MARKET AND OTHER AREAS IN NEW DELHI.

355. ***Mr. C. N. Muthuranga Mudaliar:** (a) Will the Secretary for Education, Health and Lands please state if it is a fact that the number of vegetable stalls in the newly reconstructed market in the Gol Market, New Delhi, is only five at present as against eight before reconstruction?

(b) Are Government aware that considerable inconvenience is caused to persons who have to go there to purchase vegetables owing to the very restricted space in which the vegetables are sold and that shopkeepers also are suffering for the same reason?

(c) Is it a fact that the vegetable market in Paharganj is kept in a very insanitary condition, vegetables being allowed to be stored on the road pavements? Are Government aware that there is danger of infection from rotting vegetables?

(d) Are Government aware that owing to the fish market being placed next door to the vegetable market in Gol Market, an offensive odour always prevails at the entrance to the vegetable market and when the gauze doors are sometimes left open, there is danger of contamination of vegetables through flies?

(e) Do Government propose to construct more spacious markets solely for vegetables in other areas in New Delhi, especially near the M.L.A.'s quarters?

Sir Girja Shankar Bajpai: (a) to (e). Information has been called for and an answer will be furnished in due course.

UNSTARRED QUESTION AND ANSWER.

SINDHIS IN THE CUSTOMS HOUSE SERVICES.

29. **Mr. Lalchand Navalrai:** (a) Will the Commerce Secretary be pleased to state the maximum period for which a Collector of Customs can remain at one place?

(b) Will he please state how many Collectors have been in charge of the Customs Office at Karachi, and how long each has been there during the past three years?

(c) Will he please state the number of Madrasis taken in or transferred to the Customs service in Karachi during the last ten years?

(d) Will he please state why Sindhis were not taken in the places of Madrasis?

(e) Will he please state if any Sindhis have been taken in the Customs House Service at Madras?

(f) Is there any standing order of the Government of India that the residents of Sind and of the Punjab and the North-West Frontier are eligible for Customs Service in Karachi? If so, why are others permitted to be crowded there?

Mr. H. Dow: The question should have been addressed to the Honourable the Finance Member.

MOTION FOR ADJOURNMENT.

DISPERSAL OF THE CROWD IN FRONT OF THE LEGISLATIVE ASSEMBLY CHAMBER UNDER SECTION 144 BY THE DISTRICT MAGISTRATE, DELHI.

Mr. President (The Honourable Sir Abdur Rahim): I have received notice of a motion of adjournment from Mr. Baijnath Bajoria who wants to discuss a definite and specific matter of urgent public importance of recent occurrence, namely, "the dispersal of the crowd in front of the Legislative Assembly Chamber under section 144 by the District Magistrate, Delhi, on 16th February, 1938".

As the notice stands it is very difficult to understand what the purport of it is. Does it mean that the police are not to disperse any crowd if they think it is obstructing traffic or is otherwise likely to be disorderly? What are the facts and what is the real object of this motion?

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): Sir, the facts are that several hundred people were collected outside the the Assembly Chamber in the park there and not on the roads, and they were dispersed under the orders of the District Magistrate under section 144. They were displaying flags and protesting against Mr. B. Das' Bill.

Mr. President (The Honourable Sir Abdur Rahim): When was this order passed?

Babu Baijnath Bajoria: Yesterday at about 11-30.

Mr. President (The Honourable Sir Abdur Rahim): Has the Honourable Member got a copy of the order?

Babu Baijnath Bajoria: I have not got a copy of the order; it was not served upon me. The order was read out and the people there approached me and told me that under this order they had been asked to disperse. I have also been informed that lorries with people who wanted to come and join the demonstration were also stopped from coming. The demonstrators were orderly and it was a peaceful demonstration and as soon as they were asked to disperse, as loyal citizens they dispersed. I do not think there was any justification for preventing the demonstration.

Mr. President (The Honourable Sir Abdur Rahim): I should like to see a copy of the order, if any such order was passed.

Babu Baijnath Bajoria: Probably it may be with the Honourable the Home Member. The *Daily Watan* of this city mentioned this morning that the order was under section 144. If the Honourable the Home Member says there was no order I will withdraw my motion. Otherwise, I think my motion is in order.

The Honourable Sir Henry Craik (Home Member): Sir, I submit that this is not a matter of public importance at all. What happened, according to my information, was that a body of persons assembled in the neighbourhood of this House and were making a great deal of noise and a demonstration of rather an objectionable character with the object apparently of influencing the decision of this House on Mr. B. Das' Bill.

The police, according to my information, cleared these people off the roads because they were obstructing the traffic. They then assembled on the grass plot on the side of the road. They would not clear away from there and the District Magistrate was sent for and, according to my information, at the request of the demonstrators themselves he passed this order, whereupon the demonstrators dispersed.

Babu Baijnath Bajoria: This is a misstatement. The demonstrators would not certainly make this request. In that case they would not have complained to me.

Mr. President (The Honourable Sir Abdur Rahim): In view of the facts stated by the Honourable the Home Member there is no ground to justify this adjournment motion. Besides, I must point out to the House that an order passed under section 144 in the due administration of law is not ordinarily a proper subject for a motion of adjournment of the business of the Assembly.

THE RAILWAY BUDGET—GENERAL DISCUSSION.

FIRST STAGE.

Mr. President (The Honourable Sir Abdur Rahim): Before the discussion begins, I have to inform the House that under rule 46, I fix 15 minutes for a speech of an Honourable Member who may want to take part in the discussion. The time may be extended in special cases.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): The Budget presented by the Honourable Member for Railways is a surplus budget. That by itself, however, is no satisfaction to me. There is no man who will not welcome a surplus budget, but at the same time what happens when a surplus budget is introduced? The mere fact that it is a surplus budget throws open the floodgate for an unending stream of solicitation and congratulation. I have got my own idea about this matter. I am prepared to congratulate the Honourable the Railway Member and the Railway Administration on the surplus budget, not merely because it is a surplus budget, but if there is anything in the budget on which I can congratulate the people of the country, on which I can congratulate the travelling public, especially third class passengers, on which I can congratulate commerce and industry: that is the acid test. The real question, surplus or no surplus, is—has the railway administration discharged its responsibilities to the needs of commerce and industry and the public generally? If we indulge in congratulation here, that congratulation must not be on our own individual behalf: it must be congratulation on behalf of the people, on behalf of the nation, as the railways are a national asset in which 900 crores have been invested by the tax-payers of this country. I do maintain, Sir, that a light-hearted congratulation on such an occasion is really tantamount to a positive misrepresentation of the feelings of the people.

Sir Abdul Halim Ghuznavi (Dacca cum Mymensingh: Muhammadan Rural): You do not congratulate at all.

Mr. Akhil Chandra Datta: I do not congratulate myself, but I am expecting some congratulation on the part of Sir Abdul Halim Ghuznavi, and I am saying all this only in anticipation of his congratulation. Now, Sir, judged by the supreme test as to whether the railways have discharged their duty to the commerce and industry of the country, let us examine this budget. Last year I had to complain about the rate system on our railways. My complaint was that the rate system was calculated, not to promote the industry of the country, but to promote foreign industry at the cost and expense of Indian industry. That was my grievance, and I gave a number of illustrations to substantiate my contention. So far as I have been able to see, there has been no serious reply attempted against that accusation. It is a very serious accusation to bring against the Railway Administration of the country, namely, that it helps foreign industry at the expense of national industry: no charge can be more serious against the railway administration than a charge like this. Yet, in spite of the number of illustrations that I gave on the last occasion, no serious attempt has been made to meet it. Not only that, very recently there has been an instance of fixing rates in such a manner as to help foreign industry at the expense of indigenous industry. Very recently railway freights have been manipulated and orders have been issued for rebates of two-thirds and one-third on goods traffic to or from Afghanistan and Iran by the North Western and East Indian Railways respectively. I shall not pause to make my comments of my own on this, but will place before the House the comments of the Committee of the Indian Chamber of Commerce on it. There was a press communiqué issued by the Secretary of the Indian Chamber of Commerce, which says:

"The Committee of the Indian Chamber of Commerce, Calcutta, in course of a communication addressed to the Railway Board, refer to the rebates of $\frac{2}{3}$ and $\frac{1}{3}$ of the freight charges on all goods traffic to or from Afghanistan or Iran given by the North Western Railway and East Indian Railway respectively. The Committee, while stating that it is foreign goods which derive greater advantage from these concessional rates, points out that such a rebate enables the foreign goods to compete with the Indian goods in the markets of Afghanistan and Iran. The Committee further points out that such a high rebate as $\frac{2}{3}$ means that either foreign goods, when carried at only $\frac{1}{3}$ of the usual freight charges, are given a subsidy by the Indian railways, or if that is not so, that the North Western Railway have been profiteering on normal traffic when they charge full rates. The Committee emphasise that it is only Indian goods which are primarily entitled to receive consideration and concession from Indian railways, and the Railway Board should go into the matter immediately and take necessary steps to ensure that foreign goods do not in any way get an advantage over the indigenous goods while being carried over the Indian railways."

That is one test.

Let me take another test. The Honourable Member in his budget speech has told us, Sir, very fairly, very properly, that "the third class passenger is after all our best customer". I am glad this is recognised, but it will not do merely to recognise it in words, something practical should be done to increase the amenities of third class passengers. Now, Sir, it has been said that as much as 21 lakhs have been spent on amenities for third class passengers. Side by side may I invite the attention of this House to another item of two lakhs which was spent on air-conditioning five first class coaches.

Mr. N. M. Joshi (Nominated Non-Official): Waste of money.

Mr. Akhil Chandra Datta: I am glad you think so, and I only hope that the railway administration will share your views. Now, Sir, I want to know how many passengers will be benefited by these two lakhs. My idea is it must only be a handful of first class passengers. What is the number of third class passengers—I believe it is in the neighbourhood of 50 crores: 21 lakhs for 50 crores and 2 lakhs for about a dozen or two dozens of people or for the matter of that 100 passengers. That is the position. The question is—is it fair to the best customer of the railway administration? The best customer should be looked upon as the foremost master, and it is the duty of the railway administration to serve loyally third class passengers.

Let us take another instance. Let us examine the attitude of the railway administration towards coal trade. No doubt there was labour difficulty in coal mines, but the railway propose to raise more and more coal from their own collieries. It is common knowledge how hard the coal mine owners were hit in Bengal by the depression, yet the railways have proposed to raise coal from their own mines rather than buy in the open market. The coal industry is a key industry: it is an essential commodity. That being so, it is the duty of the railway

12 Noon. administration to do nothing which would in any way prejudicially affect the coal industry. The railway administration should not enter into competition with private-owned collieries. The pretext has been that there was labour difficulty. If there was any labour difficulty it must be common to all collieries whether railway-owned or private-owned. Our complaint is that the policy of the railway administration with regard to the coal trade is fundamentally unsound. To hit the coal industry is to hit all industries in the country, that being the key industry.

Let us take another instance,—the attitude of the railway administration during the past year with regard to the rail-road problem. We have been told that in fact they are not only contemplating but they have actually taken up some projects in order to enter into competition with road transport. The complaint is that they have lost some traffic and that traffic must be won back. Although it is admitted that the motor transport has come to stay, and although it is admitted that motor transport is in many respects more advantageous to the travelling public and to the merchants and traders, at the same time, for a monopolistic concern like the railway to enter into such competition with the motor industry and to suppress it is something wrong in principle and should not be encouraged. The policy that has been propounded with regard to this question is one of co-ordination and not one of unfair competition; and although it is now experimental, I am quite sure that if the experiment proved successful, it will be continued and expanded so that the only inevitable result will be the extinction of the motor industry. It is impossible for the motor industry to compete with the railway system. There again, although the problem has not yet been solved, no final decision has yet been reached by the Government, yet steps have already been taken and are being taken to enter on the road and destroy a very important industry.

Now, let us come to the Wedgwood Committee Report. The report of that committee has been condemned by all sections of this House and by all sections of the public in this country. In spite of that, what do we find? We find that many of the recommendations of this committee not acceptable to the people are being given effect to. For instance, the

[Mr. Akhil Chandra Datta.]

committee recommended that the new scale of pay was not sufficient to attract the right type of men. That is a recommendation which they have accepted and they are going to raise the scales of pay. I shall not detain the House by multiplying instances. But the position is simply this, that the railway administration is flouting the opinion of this House and the opinion of the public in giving effect to the recommendations of this Wedgwood Committee

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Mr. Akhil Chandra Datta: I will finish within one minute. I want in this one minute to put in a word on behalf of the Bengal Provincial Railway. That railway was started in 1895. When the Howrah-Burdwan Chord of the East Indian Railway was opened in 1917, this railway was affected and then an assurance was given by the Railway Board in the following terms:

"I accordingly convey to you the assurance of the Railway Board that the Bengal Provincial Railway in so far as they may be actually prejudiced will be protected."

The grievance of that company is that that assurance has not been implemented. A consolidated amount of Rs. 11,000 has been granted as compensation, whereas their actual loss is Rs. 46,000. I appeal to the Honourable Member in charge to take this into consideration and give them the relief which they deserve, by implementing the assurance which had been given to them.

Mr. Sri Prakasa (Allahabad and Jhansi Divisions: Non-Muhammadan Rural): Sir, I am not using the language of convention when I congratulate my Honourable friend, Sir Thomas Stewart, on the unexpected wind-fall during the very first year of his administration in the form of many crores of savings, and also on the pleasant and optimistic tone of the speech he delivered here the other day. But in that speech I find an ominous omission: I do not know whether it is by accident or inadvertence. I had hoped that with two very serious accidents which have recently taken place, he would take this opportunity of expressing publicly the regret of his Government at what had happened and to condole with the bereaved families for the losses of those as were innocent travellers in the doomed trains. It has been my lot to bring to the notice of this House from time to time my suspicion that some of the mail and express trains in our country are run too fast. Some time back almost all mail trains and express trains used to arrive at my own station of Benares before their time, and once when I was travelling by the Punjab Mail, it actually left the Benares station six minutes before time. We have been hearing a great deal of the hunting of XB engines, and I am still to know what provisions Government intend to make in order to stop this hunting either by their engines or by themselves.

It should be a truism even with experts that the climate of our country is not the same as the climate of England or the cold European lands, and therefore the speed of trains that is desirable there is not necessarily desirable here. Moreover, Sir, temperamentally, we are not a people in a hurry, and therefore if our lives are assured, we would rather go slow. Sir, the railway track in India has to face varying degrees of temperature in the course of a single year. There is the excessively hot summer

season; there is the severe winter season; and in between there are heavy rains; and surely the track that has to experience such varying degrees of temperature, cannot possibly remain always in a condition to ensure the safety of trains. This fact is being recognised by the railway authorities departmentally even if they do not express their opinions openly. The other day travelling again by the Punjab Mail, I found that we were running behind time; and when I asked the guard whether he expected to make up by the time we reached Benares, he said: "Not after the Bihta disaster". In other words, they realise that they have been running the trains too fast; and it is time that they recognised this fact officially and adjusted their time tables accordingly, because, latterly, as my friend, Sir Ziauddin, complained the other day, the trains do not run according to the scheduled timings at all.

Another curious thing that seems to have happened is that the railway authorities, if my information is correct, wasted about 3 or 4 lakhs of rupees in order to have a rehearsal of the Bihta disaster near Jamalpur. Usually, Sir, the rehearsals take place before events; but a rehearsal like that passes the understanding of man. I do not know what the purpose was of destroying one more engine after one had already been destroyed in an actual accident.

Another thing that I am very anxious about is that the humbler servants of the railway should be better looked after. It is not so much in the interest of the railway servants themselves that I speak, as in the interest of the innocent passengers. Unless you have a good service manned by competent and contented men, you are taking the risk of jeopardising many lives. I had occasion to draw the attention of my Honourable friend, Sir Thomas Stewart, to the fact that a small station master at a small station, which I happened to visit in the course of my political duties, was not allowed casual leave even when his mother had died or his wife was expecting a child. Sir Thomas Stewart wrote back to say that casual leave is not something which can be claimed as a matter of right, and that these men are given leave in rotation. I understand the exigencies of service, but when a man like that has his mind fixed on the obsequies of his mother or on the danger his wife is running, he cannot be expected to look after the trains as he would when he is contented. Sir, I mean no harm when I say that, to my own knowledge, Executive Councillors of Government have disturbed their programme of tours in the distant South when after leaving Simla they had been informed of slight ailments of their wives at Kalka. They have come back, the tour has been disturbed and the programme abandoned, and they have travelled with their families to their doctors in the East instead of proceeding to their public duties in the South. Big men cannot love their wives or children or be anxious over them more than we humbler men; and if Government is serious, they should not only make all provision for the comfort of the Members of the Executive Council, but they should also look after the welfare of the humble men they employ. I am sorry that in the course of my correspondence on the subject, I must have written something without meaning it, that irritated my friend opposite because the correspondence stopped. I however must take this opportunity of reminding him of the imperative duty that every employer owes to his employees, specially when the duties he entrusts to his employees, endanger innocent lives, the lives of all those who pay to travel, lives of those who entrust themselves to the safe keeping of that employer.

[Mr. Sri Prakasa.]

Then, Sir, there is the eternal question of the third class passenger. It is in common parlance regarded as a hardy annual. I always feel it is almost "a softy daily". We are constantly pressing for the better treatment of the third class passenger. My Honourable friend said that "after all" he was his best customer. I do not know what exactly he means by the term "best customer", but if best customer means a person who allows himself to be ill-treated with impunity, who pays much more than he gets, it is time that we in this House, who represent large masses of third class passengers, should protest against the treatment that is meted out to him

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has two minutes more.

Mr. Sri Prakasa: I pleaded once, and I plead again that the railways should also be used for the dissemination of civic education, and if we had instructions on the walls of railway compartments telling the unsophisticated passengers as to how they should behave with their fellow passengers; how they should keep their luggage; that they should not stow their luggage on the upper berths at night so that others who come later on may have some room to sleep; they should not shut or bang the doors, etc., then, Sir, we shall be doing some good work; and this too without any outlay of expenditure. When last I pressed this point, it was said on behalf of the Government that it was not the concern of the railways to teach civic duties; but I think it is the concern of all public bodies who deal with human beings to teach them all that they possibly can, in their own interest as well as the interest of others.

Sir, I have also to say that from such answers as I have been able to get from the Honourable the Railway Member in this House that the Railway Board is almost a useless body. Whenever a complaint is made, it is said that that particular matter is "within the competence of the local authorities". If everything is within the competence of the local authorities, what is the Railway Board here for? And when we go to those local authorities, we invariably find that their competence is not properly exercised. Therefore, Sir, either the Railway Board should sit upon these authorities and make them exercise their competence in a proper manner or they themselves should go. I have also to suggest that it is time the Railway authorities took in hand the question of the reservation of compartments for men only. I stand for men; and though I find reserved compartments for women, I do not find any compartments reserved for men. I find women travelling in the general compartments much to my discomfort. For instance on the E. I. R. there are six intermediate compartments in most bogies; one of which is reserved for women and the rest are general. The women's compartment is usually empty and there are almost always one or two women in all the other compartments.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Mr. Sri Prakasa: I say, Sir, that if the Government would take steps in this direction they would be doing good to themselves and to all concerned. I also hope that the Government will consult public convenience when they make up their time tables. The timings are carelessly drawn.

up without consulting the convenience of the travelling public. Then there are questions of rakes, through compartments from one destination to another, which are all easy of solution given the proper will; and I hope that during the year that is opening, these matters will receive the due consideration of the Department.

Dr. Sir Ziauddin Ahmad (United Provinces: Southern Division: Muhammadan Rural): The Budget speech of my friend the Railway Member is very different from the traditional speeches of previous years. We have been demanding for several years that the various means of communication should not be split up into different groups under different administrations, but should be co-ordinated under one administration as in all other countries. Our hopes have been justified by facts. I congratulate my Honourable friend on the rosy picture he has been able to lay before us in connection with the Railway Budget. Since the year 1931-32, when the depression began we have been living on our past income. We have practically swallowed up the whole of our reserve fund amounting to 18·7 crores. We have also borrowed 30½ crores from the depreciation fund, and the depreciation fund which really ought to have been used as a depreciation fund has been used as a kind of reserve and in addition to this we have not been able to pay to the general revenues up to the extent of 32 crores. Therefore, the liabilities in these days of depression amount to 81 crores which the railways will have to pay sooner or later from future income. I am glad that the position has changed this year. In the present year the railway will be able to pay to the general revenues 2·83 crores and next year they have budgeted for 2·56. Now, this is really a very good omen which will be reflected in the General Budget and I hope this additional income which the Finance Member will receive from the railways will relieve the tax payers, as otherwise it would have come from their pockets.

The Railway Board has given a sum of 1·48 crores to the Burma Government from our depreciation fund. I should like to know the method of their calculations. Taking the figures of the capital at charge, the share of Burma comes to ·8 crore. They have paid much more than they deserve from our depreciation fund.

Now, I come to the question of the depreciation fund. For the last three years I have been pressing very hard that the system of depreciation fund is wrong. It is contrary to the practice of other countries and it is bad accountancy. They say it should be 1/60ths of the capital at charge. Why 1/60th? Why not 1/59th or 1/61st? or any other figure. This figure of one-sixtieths is very arbitrary and not justified by argument. It is bad accountancy because it has been really used as a reserve fund from which they have always been drawing to pay for their deficits. The third thing is that it is against the practice of other countries in the world. May I just remind my Honourable friend that when Sir Joseph Bore quoted the working ratio of different countries he said that he could not make out whether those figures were with or without depreciation. This clearly shows that there is not a great difference in the working ratio with and without depreciation. I also had an opportunity to discuss this matter with the General Secretary of the International Union of Railways in Paris and he could not understand why there should be an enormous difference between the working ratio in this country with and without depreciation. Now, the working ratio is 54·9 per cent. according to the last

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year's income without depreciation and 69.5 with depreciation, which is an enormous difference. The second difficulty which I have to point out is that when an expenditure has to be incurred, they sometimes find it out of the revenue fund, sometimes out of the depreciation fund and sometimes from the capital fund, and their decision depends upon the bluff which the Financial Commissioner can make under pressure from the top or from the bottom. It is exceedingly difficult to decide whether a particular expenditure ought to be met by depreciation, by capital fund or by revenue fund, and I think this artificial division which the Government have kept up is quite unnecessary and ought to be done away with as early as possible. Now, this is the point which I have been pressing very hard and I will go on pressing it as long as I am here. There is a simple piece of accountancy which is being followed in every country. Every expenditure which does not yield revenue ought to be met by revenue account and every expenditure which is going to yield revenue ought to be met by capital expenditure. This is really a simple division. For example, if they want a new railway station either at Cawnpore or at Lucknow or anywhere else, it ought to come from the revenue fund and not from the capital account.

The next thing which I want to raise is the question of the Clearing Accounts Office. It is as unnecessary as it is useless and the sooner we abolish it the better it will be. I have not got the time to relate a story but I will do so later on. We have got four State Railways. We know from the experience of the last 15 years what is the amount to be paid from one railway to another. Take the average of the last 15 years and pay the amount. I will enter into the details of this later on.

The third point that I would like to touch on is the divisional organisation. It is a good organisation provided you let it do its work. You have created a divisional organisation but all the powers are concentrated in the office of the Agent. The Divisional organisation will work only if you make it a miniature agent and give it full powers. At present nobody holds the responsibility. The Agent's office shoves the responsibility on to the Divisional staff and the Divisional staff always say that they are helpless and are not allowed to work on account of the constant interference from the Agent's office. Therefore, this state of affairs ought to be set right and unless it is set right, the travelling will be unsafe and the administration will not be a sound one.

The next point which I would like to raise is the question of the rail-road competition. This competition has now come to stay as was pointed out by the Honourable Member himself in his speech. Up to a few years ago the railways had the monopoly but now the monopoly is over. The natural consequence of the breakdown of this monopoly should be that the mentality of the railways ought to change. Some years ago the railway people thought that they were showing a favour to the commerce and industry and to passengers if they gave a wagon or if they booked a seat and so on, but now the position is reversed. They ought to be thankful to the traders who give them assistance in order to have more traffic and more travelling. I have already said that the competition between road and rail in India is not so keen as it is in other countries. We are not the manufacturers of motor vehicles. We import them from other countries

after paying freight, insurance and the import duty of 35 per cent. We also pay a duty of 10 annas per gallon on petrol which is three times the sale price in America. In addition to those duties the buses have to pay a very heavy duty to Provincial Governments and get in return very bad roads which shorten the life of every motor vehicle. The Wedgwood Committee has recommended that the Indian railways should be permitted to have their own motor service. This experiment was tried several times and failed. The road traffic administered by the railways will be more expensive. The capital outlay will increase. There will be a danger of rate war which will make railways very unpopular. The real solution lies in providing facilities in the travelling and in handling goods. The railway administration should improve the transit of goods and should minimise the additional charges which a tradesman has to pay. He has to tip for early despatch, for early delivery and he has also to tip for the provision of each wagon over and above the schedule rates. It is very desirable that Indian tradesmen should be given the same facilities in transmission of goods as the British tradesmen get in the United Kingdom. In England the railways provide cheap excursion tickets under slight excuses to encourage the public to travel. The reduction of fares has yielded good results in many countries. The Whitehouse forced the U. S. Railways to reduce the fare from 3 to 2 cents per mile. The order was received with great protest but it proved very beneficial. The same was done by Germany. No such facilities and encouragement are given by the Indian railways. I think it is very desirable that if they want to enter into competition with the motor buses they ought not to do so by means of legislation but by improving their own services and by providing facilities of transit of goods and also facilities to the passenger traffic.

In this connection, I should also like to point out that the time tables are very badly arranged. They look only after the interests of the passengers at the terminus and they do not care for the convenience of the passengers at intermediate stations. I think there ought to be some time table experts and the Government of India will do well if they send out some person to Europe in order to understand the time table difficulties. Now, as pointed out by my friend, Mr. Sri Prakasa, the trains are running rather late. As I said the other day, they are exceedingly punctual in their unpunctuality. It is desirable that some system ought to be introduced in order to set things right. If they cannot run the trains so fast, let them slow down the speed; let them provide longer halts at bigger stations which may be cut down in order to make up the time lost in interruption.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has two minutes more.

Dr. Sir Ziauddin Ahmad: Then, the problem of the rates and fares has not been solved in any country. There are two fundamental points about rates and fares which are essential. One is that it should be the duty of the Government to look to the interests of the industries and to have these rates and fares in their hands, but some latitude should also be given to the railway administration to alter them within certain limits, but unfortunately this thing has been entirely overlooked so far. The same article is classified under different heads and is charged differently by different railways and, therefore, some kind of simplification of the rates and fares is absolutely necessary.

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I must say that I do not agree with my friend, the Honourable Mr. Deputy President, about coal raising and in this connection, I would like to draw the attention of the House to the speech of the Honourable Sir Guthrie Russell in the Council of State, in which he said:

"The Council will understand how grave the situation was when I say that at one time certain railways were down to a week's supply of coal."

It was only due to Government collieries and the raising of the output that the situation was saved. Though we may rely a good deal upon the market, it is absolutely essential in the interests of the efficient working of the railway administration that it should have its own collieries.

There is one other point which I would like to mention. The Honourable Member for Railways during the last Session gave an assurance about the various recommendations of the Wedgwood Committee. I should like to know whether his assurances will be kept up by the Government. I would also like to mention a few other points during the course of the discussion of the Railway Budget, such as, the contract system, the position of the subordinate staff and retrenchment system and passes because I believe. . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Lieut.-Colonel Sir Henry Gidney (Nominated Non-Official): Sir, I feel I am voicing the opinion of this Honourable House in congratulating the Honourable Member of Communications for the very splendid report he has presented to the House and for the successful administration of Railway Department which shows a surplus of nearly 3 crores. I feel sure I have the support of the whole House when I wish the Honourable Member in charge of Communications a very successful tenure of his 5 years of office. He has started very well and we feel sure he will end even better.

Mr. B. Das: You expect him to be a Councillor.

Lieut.-Colonel Sir Henry Gidney: I shall answer that interruption when Mr. Das occupies the seat of Communications Member, if he ever does. Sir, I am not a financier, but what has struck me very forcibly in going through the Budget speech of the Honourable Member is the enormous amount of interest, 29½ crores, we are called upon to pay annually out of a gross revenue of 95½ crores. I have no doubt this is due to the many loans which have been contracted in past years in and out of India. I can only point out to the Honourable Member what a terrible legacy he will leave to the new Federal Government when it does come into operation. I would, therefore, urge the Honourable Member to see if it is possible to reduce this amount. I know it is a very difficult problem and is so intimately connected with the duties of the Finance Department that it alone can reduce the charge. Why not recall some of the 5½ per cent. loans and so reduce these interest charges? I offer this for his consideration, and I hope the Honourable Member will give greater attention than has been done in the past to reduce this legacy, the result of the financial profligacy of his Department for past years and which the Wedgwood Committee condemned in

the words: "Prestige has accounted for more than prudence." They referred to the extravagant way in which the Railway Board have, in the past, squandered money on building station yards without due regard to the actual requirements and which are, today, lying empty, and also the money that has been spent on the building of workshops, stations, etc. I feel sure he will see that this kind of useless expenditure is not repeated. Moreover, I do hope the future Railway Board—I mean the new Federal Railway Board—will be composed of capable and experienced officers who are closely familiar, in a scientific manner, with commercial problems and the other requirements which the Railway Board must possess if it is efficiently to administer and control the 750 crores of money—the total capital of railways in India—which is entrusted to its charge.

I submit that the present system of recruiting Railway Agents as Members of the Railway Board is not the best. Railway Agents may be excellent officers for controlling and administering railways, but I think they lack that necessary depth of information and business knowledge, as also commercial acumen and foresight, without which no big institution, such as the Railway Board, can function as a business concern. Sir, it is all very well for such amateurs, as are, today, found in the Railway Board, to base and to explain their inaccuracies, both in estimates and forecasts, from the levels of 15 lakhs to a crore and a half and even to two and a half crores, on the cautious exercise of such catch words as "optimism", or "pessimism". Such excuses put me very much in mind of a story of two frogs, one a "pessimist", the other an "optimist". These two frogs were seated on a dairy table which was very slippery and each frog slipped into a milk-can. The pessimist frog, unable to climb up the side of the milk-can, gave up all efforts and was drowned in the milk. The optimist frog, on the other hand, made up its mind to be saved and so started kicking and kicking all night long—(like the Railway Board has been doing for the last fifteen years with its finances)—till it found itself next morning, still alive, seated on the top of the can on a pat of butter. This is how the Railway Board annually juggles through its finances, not on sound business lines but on "optimism" and "pessimism".

Sir, I shall now deal with the Capital Programme. I see provision has been made for certain new works. A sum of Rs. 56 lakhs has been spent in the building of King George's Bridge over the Meghna. It is also proposed to undertake certain new projects in Sind at a cost of Rs. 55 lakhs. I do not know what the cost of the bridge from Pandu will be, but I would like to ask the Honourable Member, in spending these large sums on extensions in the North West of India, what has he been doing or what does he intend to do to help railways in the South of India? I refer particularly to the urgent need of constructing a connecting line between Chamarajnagar on the Mysore State Railways and Mettupalayam on the South Indian Railway. There is an urgent need for this railway to be constructed, so as to enable the States of Mysore, Travancore and Cochin to transport their products, at cheaper rates than today, to the port of Ernakulam. The growing port of Ernakulam is today crying out for this feeder railway and it should not be kept starved any longer. Sir, the Mysore Government, I understand, is prepared to pay every penny for the cost of constructing this feeder railway and I cannot understand why the Railway Board has, for years, shelved this

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vital question, while it spends crores on feeding the already dead port of Vizagapatam. I believe the latest is that the Mysore Government have been asked by the Railway Board if it is prepared to re-survey the line. I also hear that the Mysore Government are prepared to pay for only that part of this feeder railway which lies within its own State. I seek information on these points. Sir, Government are persuading these States to enter Federation, which means that they must, *ipso facto*, surrender some of their powers. I ask why should these States in return be deprived of the benefits of such essential feeder railways, simply because the Madras and Southern Mahratta Railways and the Port of Madras demand a continuance of their present day exclusive favoured attention and which the Railway Board is afraid to touch? Again, I ask why should the traders in these States be forced to pay higher tariff charges for conveying this merchandise across to the East Coast of India, when the Western Coast offers a shorter route to the Port of Ernakulam? This is undoubtedly a very important matter and I would ask the Honourable the Communications Member to give it his sympathetic and very early attention, I submit that these States and their future progress demand this attention from Government.

I now come to the Wedgwood Report, Sir, I once called this a "Teakwood" report. I prefer now to call it a "Dealwood" report, because, I now find it has given us a very bad "deal" indeed. Let me repeat: There was no necessity for this Committee to have come out to India, because, in its report, it only repeated what the Pope Committee had advised in 1933 and which the Railway Board were already carrying out. It was a waste of money to spend lakhs of rupees on this Wedgwood Committee. I shall have more to say about this later on. I now come to certain recommendations of the Wedgwood Committee's report on which the Railway Board have already taken action. I refer to the Conciliation Officer who has been appointed in the person of Colonel Wagstaff. Colonel Wagstaff, as we all know, is a railway officer with much experience of labour problems, but I cannot understand what use he will be in that appointment working all alone; and I would ask the Honourable the Communications Member if he would consider the advisability of converting his office into a sort of Whitley Committee, which Committees are, today, operating so successfully in England in the settlement of all Government labour problems? Why cannot two or three level-headed, experienced upper subordinates, be attached to Colonel Wagstaff's staff? After all such men would be more familiar with the men's point of view than with the employers' point of view. Sir, in my experience of over twenty years, with all kinds of railway disputes, I am convinced that, in such matters, there are three points of view to be considered—the "subordinates' point" of view, the "officials' point" of view, and what is most important, the "correct" point of view. And it would be in the interest of all concerned if a few subordinates were attached to help Colonel Wagstaff in his very difficult duties. It is no use adopting this piece-meal policy, this one-sided measure, in settling such labour disputes. The labourer must be given a sense of security and confidence in such matters. Sir, why not accept, in entirety, the recommendations of the Whitley Commission on this point? Why this piece-meal policy? This House has, for years, demanded an Arbitration

Board and we have frequently defeated Government on that demand and only now a belated and half-hearted effort is being made; the use and value of which is that "something is better than nothing".

I now come to the matter of "incivility". I think it would be in the interest of all concerned if the Honourable Member were clearly to define what actually is meant by the word "incivility". If experienced Judges find it extremely difficult to adjudicate on a charge of incivility, when used in a generic sense—it would be inviting a mis-carriage of justice, if not wholly wrong, to give to junior railway officials, *e.g.*, Deputy Agents, Divisional Superintendents or even Heads of Departments—men ignorant of the Law of Evidence and on which such judgments will entirely depend—the power summarily to dismiss, irrespective of his length of service, a subordinate charged with the offence of incivility; especially if that official himself does not practice civility towards his staff, as one not infrequently witnesses on railways. In any case I ask: Will the Railway Board agree in such cases that the Unions should have their accused members represented by legal men or by a member of the Union? This protection is disallowed today in all railway enquiries and only an active serving member of the railway is allowed to help an accused. I ask will any active serving member of the railway jeopardise his future prospects by criticizing his own railway superiors at such an enquiry? Again, how can any official be both accuser and judge and sit on the enquiry at the same time? It amounts to a legal farce and playing with justice. I submit, with all respect, that this is giving too much power to officers; I submit that the charge of incivility can be interpreted in so many ways that no one but a competent legal authority can give a correct judgment on it.

I now come to the question of "reduction of wages". This is dealt with by the Wedgwood Committee in its report. I see the Railway Board has stated in an official communique that they do not intend, in future, recruitment, strictly to apply the new scales of pay and that each case will be considered on its own merits,—this means that superior officers will have the right to assess a man's worth and what scale of pay he should get. The Railway Board will, I am sure, admit that it has received reports from many Chief Mechanical Engineers that they are unable to recruit efficient men on such salaries and condemning them, the new scales of pay. Many Railway Agents have also condemned them, and, yet, the Railway Board continues to apply these new scales of pay, but they are now prepared to make exceptions by giving certain appointing officers the power to recruit certain employees on higher rates of pay. This practice will certainly lead to an increase in nepotism and favouritism. I would, therefore, ask the Railway Board, seeing as they do, that economy and efficiency are incompatible factors; why not scrap the new scales of pay and give a reasonable living wage to all their employees? Otherwise, sooner or later, as the Wedgwood Committee even anticipates, the reaction must come.

Now, about the recruitment of certain European supervisors in England. This, I submit, is wrong and unfair, because by insinuating a junior higher paid European supervisor as Foreman in a grade where many older and experienced men are waiting for their legitimate promotion, you deprive them of advancement. If skilled workmen are absolutely necessary let such men come out with new machinery, etc., but

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keep them apart on a separate list for a stated time and then send them back to England after they have completed their special work; but do not give them the option of remaining on railways as permanent men and thus becoming not only obsolete, but blocking the promotion of all others who are senior to them in service and general workshop experience. This is the practice today and should be stopped.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has two minutes more.

Lieut.-Colonel Sir Henry Gidney: Sir, there is another matter to which I should like to refer before I conclude—I refer to the economy that has been effected in late years and of which we hear so much today to the credit of the Railway Administration, and the balancing of the Railway Budget. I should like to know how much money has been saved by the reduction of staff, the new scales of pay, the deprivation of former railway privileges—as reduced passes, education grants, reduction in overtime, increased house rent—in short—what have railways saved by bleeding their employees (subordinates only) white? Few will deny that economy and efficiency are strange bed fellows. I realise the need of economy—honest economy, but the economy that is being practised today on railways, I feel sure, is at the dictation of the Honourable the Finance Member and his Department, whose object it is to balance his budget at all costs. We all know what sort of people financiers are and we all know the present Finance Member to be a very able man. But none will deny that the Finance Department is the common enemy of all other Government Departments. I well remember a very distinguished Member of this Honourable House who dubbed a former distinguished Finance Member as one who had “the face of a cherub and the methods of a tank”. Well, believing as I do, that the Finance Department has had a very big say in this railway economy, especially in this cruel, inhuman and unjustifiable reduction of railway passes from a class of subordinate employees who have already been bled white by the Finance Department in its relentless search for economy, I feel tempted, with all respect to and admiration of the Finance Member, to dub him as one who “has the political face of a sanguinary Ghazi” and the methods of an ultra modern “Shylock”. For he and his Department have really bled the railway subordinates white. Before I sit down let me tell him and the Government that this wholesale and ruthless policy of bleeding the railway subordinates white, especially the curtailment of railway passes, has created a great storm of resentment and unrest among all communities employed on railways and it has very narrowly escaped a great and serious economic catastrophe,—An All-India Railway Strike. The Railway Department is fortunate to have escaped this, but I warn it not to repeat the effort, for the men have come to the ultra limits of their endurance and patience. Pray do not interpret this as a threat to strike. I offer it as a statement of fact and in the honest and best interests of employer and employee. I know the Railway Board and Agents are very sympathetic, especially in the question of railway passes, and, I have every confidence that it will soon remedy this grave injustice and so restore peace, happiness and contentment in the staff.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Lieut.-Colonel Sir Henry Gidney: I, therefore, hope the Honourable Member for Communications will give serious consideration to these various unjust measures of economy that have been effected and are being practised today on his staff and which, when boiled down to hard facts, amount to the exercise of dishonest economy, in that they have deprived railway subordinates of their hard earned money. I repeat these economies have been practised and effected solely in the hope of securing surplus budget, not only to satisfy the Honourable the Finance Member and his Department, but in the hopes of satisfying this Honourable House. Is this fair? Let this House show its resentment when the Demands for Grants are under discussion.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions: Muhammadan Rural): Sir, I join in the objection which has been taken by my Honourable friend, Mr. Sri Prakasa, to the two budget speeches which were delivered in this House and in the Upper House. There is a serious lacuna in the budget speeches because there is no mention about the Bihta and the other disasters. No doubt the Bihta disaster is under investigation by a distinguished Judge of a High Court, but still it was possible for the Honourable Members in the two Houses to have expressed some sympathy to those who have been affected by the disasters. No mention is made in this House even about the relief measures to show what action the Railway Board have taken in connection with the disasters.

I am glad that the Honourable the Railway Member has after all realised the extent of loss caused to railways by diversion of traffic to roads. The chief cause for the diversion of such passenger and goods traffic from railways to roads is that railways do not connect places, where there are large *mandis*, by roads to railway stations. That is the greatest hindrance for the expansion of railway traffic. If the Railway Board would only see that the roads leading from *mandis* and other places are connected with the railway stations, then I do not think there will be much difficulty in capturing the traffic which is now carried on by buses and lorries. The Honourable Member has assigned no reason whatsoever for this loss incurred by railways. You simply say that lorries and buses are being run and they are taking away the traffic. Except a bare statement of fact, he has not assigned any reason for such diversion of traffic. My main complaint against the railway administration is that the Railway Agents care only for their own conveniences and comforts and make no suggestions according to public demands. The Railway Board has given the Agents a long rope and they have lost all control over them. On 15th September 1937, I passed on to the Financial Commissioner of Railways a representation from the travelling public of a station called Radauli in Lucknow division on East Indian Railway requesting to stop the 17-Up Howrah Punjab Express train at that station. This train since its inception did stop there before 1936. So far no action has been taken on this representation, nor an acknowledgment given. I should like to know from the Honourable Member which of the stations Radauli or Landaura (in Moradabad division on East Indian Railway) is important for the stoppage of 17-Up Howrah Punjab Express train for the convenience of passenger

[Mr. Muhammad Azhar Ali.]

traffic? Another representation to the Agent, E. I. R. was made by the residents of Amethi, Lucknow district, a copy* of which I place on the table of the House, together with a copy* of the resolutions adopted on 1st January 1938 in a public meeting by the citizens of Amethi in the same connection. So far both these remain ineffective as Agents take no interest.

All these will undoubtedly tell us that the Agents are not the servants of the public but they are here to enjoy. They have spent thousands and thousands on their comforts and have built luxurious carriages for their travel and have made travelling allowances a source of personal profit. Travelling allowance is a source of profit to them because while travelling they have to pay only half rates for refreshments etc., which they take at the station refreshment rooms. The refreshment room contractors and vendors take only half the rates exhibited in the tariffs. If this is not a fact, will the Honourable the Railway Member lay on the table a copy of the complaint recorded in the complaint book at the Jind railway station refreshment room on 10th December, 1937, and will he also state what action has been taken thereon. I further ask the Honourable Member to tell me whether the requests made by the travelling public of Radauli for stoppage of 17-Up and Amethi for connecting the road to their place etc., are not reasonable requests and can they not be easily acceded to. The E. I. R. derive every year sufficient revenue from passenger traffic to and from Gunj Moradabad, a station on Balamau-Unao section where an *Urs* is held every year, but there is neither a covered platform nor a raised platform nor is there any waiting room, and yet the efficient administration claim a credit for amenities provided for travelling public. I hope that in future these places will be thought of sympathetically and that some provision will be made for the construction of platforms for the convenience of the travelling public.

From time immemorial the travelling public between Ghaziabad, Karnal and Kalka were served with drinking water with one
 1 P.M. waterman for each community at every station. But the good North-Western Railway administration have brought under reduction a strength of 27 luggage porters of those stations from 27th October, 1937. For the information of the House and the Honourable Member I will refer to the letter of the Divisional Superintendent, Delhi, No. 727-E/7, dated the 27th October, 1937, and letter No. 456-E/38, dated the 11th November, 1937. The watermen at these stations are now utilised in place of those luggage porters. Is this right and proper? I accuse the Railway Department of these laches on their part. The net result is that the travelling public go thirsty, station after station, while the watermen have first to attend to the loading and unloading of parcels from the brake-vans before they can attend to their legitimate duty of serving water to the passengers. Sir, I ask the Honourable Member how fairly the travelling public is treated by this administration? Will he not consider the question of bringing into reduction the strength of the gazetted ranks and inspectors who have generally no work on these lines?

The Honourable Member sweetly said in his speech that in the sphere of labour the maintenance of harmonious industrial relations is of cardinal

* Not printed in these Debates; placed in the Council Library.

importance. I wonder how he can maintain harmonious relations as long as the words "generally" and "ordinarily" are used in answer to unstarred questions. For instance, I will quote No. 182 and No. 183 asked in this House on the 29th September, 1937. Even those unions which are run on honest and healthy lines do not get that encouragement which other unions get from other departments. Recognition is a matter which does not rest with the Railway Board; it is a matter which rests entirely in the hands of the Agents. And the result is that if any recommendations are made by the unions to the Agents, they do not care for the recommendations. Even the grievances which are laid by the unions are discouraged and nothing is heard about the grievances which the unions bring forward. Is that a healthy sign of reconciliation or better condition of the staff? Sir, unions are not only a power in Europe but they are forming themselves into such powers here in India, and specially labour unions; and Government ought to consider carefully the recommendations of these unions, and unless they do that, labour unrest is bound to increase. It is an irony of fate that in matters of recognition the Government of India subordinate themselves to the Agents. If the Honourable Member would peruse the interpellations in the Central Legislature since 1933 he would certainly agree with me that harmonious relations cannot be maintained under the present policy of non-interference and of non-rectifying mistakes if and when brought to the notice of the Railway Board.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has two minutes more.

Mr. Muhammad Azhar Ali: Sir, now as to justice to employees, as a specimen I will quote to the Honourable Members E. 36-A.E. 6(2), dated the 17th June, 1936, 8th July, 1936 and 7th August, 1936. In these letters the disregard of rules is admitted but under delegation of powers they are unable to intervene. If the Honourable Member will peruse the proceedings on letter No. 17 B.M.K., dated the 30th July, 1936, referred to in the Railway Board's letter No. E. 36A.E. 6(2), dated the 7th August, 1936, he will find that the Governor General in Council was pleased to administer justice by reinstating the employee to his former post and pay. If statistics be prepared by the Railway Board of cases decided by the Governor General in Council, the Honourable Member will find that one hundred per cent. of the cases have been decided in favour of subordinate employees. And, therefore, the usual reply by the Railway Board, namely that control over persons in the subordinate railway services is delegated to the Agents of Railways and that the Honourable Member cannot intervene, is not tenable. In many of these cases the Governor General has been kind enough to restore the employees but the Railway Board had paid no consideration to them. The cases decided by the Governor General in Council should be an eye-opener to the Railway Board and the Agents and to their staff, as they clearly establish abuse of powers, disregard of rules, lack of efficiency, victimisation and vindictiveness by the gazetted staff on the railways.

Mr. N. M. Joshi: Sir, the few remarks that I wish to make on this occasion will serve as an introduction to the speeches which I propose to make when the demands for grants will be discussed during the course of four days. At the outset I should like to say a word about the report which the Railway Board prepares and submits every year on the administration of the Indian Railways. The two documents are very useful and give us a

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good deal of information regarding the railways. But I feel that if the facts given in the report are more co-ordinated the usefulness of the report will be much increased. In order to make my meaning clear I should like to give one or two instances. On page 9 of the report the Railway Board tell us what subjects were discussed by the local committees with their Agents. The list of the subjects given is a long one and perhaps I could have made that list without knowing anything about the subjects which the local committees discussed with the Agents, because the list includes almost every subject which can be discussed with the Agents. The paragraph says that during the year 80 meetings of the various committees were held. We are not told how many committees there are; we are only told that 80 meetings were held. The idea given to us is not, therefore, complete. If we had been told that there were 80 committees and they held 80 meetings, we could have known that each committee met once a year. But if there were 160 committees and they held 80 meetings, they did not meet once a year.

I will give another instance. On page 61 we are given some information about the collieries. The collieries which the Indian railways possess and manage are of great importance and five or six pages are devoted to the treatment of railway collieries. If you read all these pages, Sir, you will not get complete information regarding the working of the collieries, you will not get a co-ordinated, co-related information regarding them. The only useful information given to us is the production of the collieries, but that does not give us any idea about the working of the collieries. We do not know how much capital was invested in the collieries, we do not know at what cost production was secured, we do not know how many people were engaged in the collieries, we do not know how they were treated. I would like, Sir, the Railway Board to take a little more care, and, if I may say so, use more intelligence to make their report more useful.

Then, Sir, I shall give another instance. On page 61 they tell us what the Railway Board does to provide amenities for passengers: they also devote some pages for that subject, but even if you read all the pages, not once but several times, you will not get a clear idea of what the Railway Board is doing. We are all interested in the welfare of third class passengers. I try to study that subject every year but I never get a clear idea of what the Railway Board is doing. The Railway Board gives a list of several things which each Railway is doing, but we do not get a whole idea. What I would like to know is this: what money was available with the Railway Board for providing amenities for railway passengers, and how much of that money was spent for the benefit of first class, second class and third class passengers respectively. The amount available with the Railway Board is not unlimited: if the Railway Board had unlimited resources I would not bother my head as to what money was spent on first or second class passengers, so long as enough money was spent for the benefit of third class passengers. The Railway Board does not tell us how much money they had, how much they spent for the benefit of first and second class passengers, and how much for the benefit of third class passengers. They merely give a list of things done, which does not give us a complete idea.

Similarly, if they give a mere list of waiting rooms, platforms, or refreshment rooms provided during the year, that does not give us a complete picture of what they are doing and what remains to be done.

Sir, after having dealt with the report, I would like to say only a few words as to the principles on which the Railway Board is conducting the affairs of Indian railways. I believe that the Indian railways are a public utility concern and should be run in the interests of the people of this country: they should be conducted in order to provide the best means of transportation both for goods and for passengers. I am told the Railway Board conducts the affairs of Indian railways on commercial principles. Admitting for the moment that to conduct Indian railways on commercial principles is the right policy, I would like to ask whether the Railway Board and the railway authorities in India are conducting the Indian railways on commercial principles. I would like to examine whether they observe commercial principles in the management of their passenger traffic. It has been admitted by the Railway Board and by the Government of India that it is the third class passenger who is the mainstay of their passenger earnings. Does the Railway Board, as a commercial concern, give the greatest attention for securing that passenger traffic?

An Honourable Member: Not at all.

Mr. N. M. Joshi: I have tried my very best every year to show that the Government of India wastes money on its first and second class traffic, and that if they had used that money for the benefit of third class passengers their revenues would have gone up. But, Sir, the Government of India does not show sufficient concern to improve their third class traffic. I am not suggesting that they do not do anything: every year they spend a few lakhs of rupees to improve the conditions of third class traffic.

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. N. M. Joshi: Mr. Deputy President, when the House adjourned, I was pointing out that it is not sound commercial policy to waste your time and energy over those customers who do not give you profitable business to the neglect of those customers who give you more profitable business. I would like to refer to another matter in which also the Indian railways follow a wrong commercial policy. That is as regards their treatment of the employees. It is the policy of the Government of India to give better treatment to their more highly paid officers and worse treatment, may I say, to their subordinate employees. In my view it is the subordinate railway employees who are more responsible for the proper working of the Indian railways than the gazetted officers who generally are considered to be responsible officers. In my view the subordinate employees have greater responsibility, for this reason that if the railways make losses it is not the Railway Member who suffers any loss in his pay or lose his job, nor does the Chief Commissioner of Railways, but it is the subordinate employee who loses on account of the losses made by the Indian railways. Their number is reduced and they are given less pay. On the whole the responsibility of loss falls upon the subordinate employees more than on the gazetted officers. Therefore, a good commercial man will pay greater attention to the welfare of the

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subordinate employees than to the superior officers. Unfortunately, the policy followed by Indian railways is quite the reverse. The report about which I spoke says that in 1936-37 the number of subordinate staff was reduced by 2,717. It is given on page 79. When the subordinate staff was reduced by 2,717 you might expect that some gazetted officers will also be reduced, but the number of gazetted officers has gone up by 13. Is this a good commercial policy? During the last seven years since, 1930 the Government of India have reduced the number of subordinate officials by 1,14,000. The money spent on the subordinate services has been reduced by 4 crores of rupees. The responsibility of the losses has fallen very heavily upon the Indian subordinate ranks. It is, therefore, wrong to refuse to better their conditions of service and life. I shall not deal with the details of those conditions as I shall have another opportunity, but I may say this that the Indian railwayman is a very efficient person. At page 11 of the Wedgwood Committee Report some figures are given. I shall only quote those figures and be content. The British railway system consists of about 20,000 miles of railway. The Indian railway system consists of 43,000 miles of railway. To manage those 20,000 miles of railways there are 559,000 employees on British railways; while to manage our 43,000 miles of railways

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has two minutes more.

Mr. N. M. Joshi: I shall finish in two minutes. To manage our 43,000 miles of railway, we have only 597,000 employees. The Indian railways pay for these 597,000 men only Rs. 32 crores, while Great Britain pays for her 559,000 employees £99 millions or Rs. 135 crores. These figures are conclusive proof how efficient the Indian railwayman is. I, therefore, hope that the Government of India will give greater attention to the welfare of the subordinate railway employees than they do at present.

I shall say only one word about the accidents that took place recently and to which reference was made by my Honourable friend, Mr. Sri Prakasa. If accidents on our railways are to be prevented the first thing necessary to be done which I have insisted upon year after year is the independence of the railway safety inspectorate. I have suggested every year that the safety inspectors should not be placed under the Railway Board. They must be independent of the Railway Board as they have to criticise the railway policy

An Honourable Member: Under whom should they be?

Mr. N. M. Joshi: They can be placed under the Home Department or any other safety department. It is the Home Department which is considered to be the safety department. I would certainly place the safety inspectors under the Home Department and not under the Railway Board

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Mr. N. M. Joshi: I hope this suggestion of mine will be accepted. Moreover, I may inform the Government of India if they do not know it that under the new Constitution the safety inspectors will not be under the Federal Authority. If that is so, why should the safety inspectorate be kept under the Railway Board? There should be greater consideration for human life than the Government of India is giving in this matter.

Mr. L. C. Buss (Nominated: Non-Official): Mr. Deputy President, after the doleful accounts of the working of Indian Railways to which we have become accustomed in recent years the more optimistic report to which we have listened this year has been welcome to us all. The more so as my Honourable friend, Sir Thomas Stewart, whose first Railway budget this is has a happy knack of presenting even unpalatable facts in so appetising a fashion that it seems almost ungracious to criticise him at all! At the same time the railways play an important part, both in relation to the public revenues of India and in regard to the development of industry and commerce, and the Railway Budget offers us an annual opportunity to review the position not merely of Railway finances but of trade prospects generally and to seek to define our attitude towards the more important aspects of railway policy.

First of all, consideration must be given to the position of the Railways as large contributors to the general revenues. My Honourable friend, the Communications Member, has told us that he has endeavoured to be conservative in his revenue estimates for the year 1938-39. There can be no question as to the wisdom of such a policy at this time. We ourselves are by no means certain that the railways in the coming year will produce as much revenue as they have done during the current year, for we are not unmindful of Sir Otto Niemeyer's warning in this connection, but we feel that with world conditions as they are the next 12 months are not likely to witness any considerable improvement in trade. At the same time we are far from suggesting that the present lull in trade is a precursor of a further set back in the near future. Still we agree that a cautious policy is the only sound one, and on at least one occasion last year we, in this Group, emphasized the importance of strengthening the financial position of the railways while their revenues are coming in in so satisfactory a manner. Certainly we do not again wish to see a repetition of the policy of the years 1924-29 when capital and other expenditure was greatly increased at a time when trade was booming and such expenditure correspondingly drastically curtailed in the lean years from 1929-1936, thereby seriously accentuating the railways' difficulties.

On more than one occasion we have urged from these Benches our anxiety for an improvement to be made, an improvement which we think would be salutary—in the system of budgeting for capital expenditure. We consider it would be prudent to take a long view over a period of years irrespective of the immediate situation, and to spread capital expenditure more or less equally over good and bad years, rather than to spend freely when times are prosperous and to cut down expenditure to the bare minimum when slump conditions prevail. It is our conviction that planning along these lines would be very much to the advantage of all concerned, not only to the suppliers of materials but also—and this is the important point for present purposes—to the railways themselves.

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It is axiomatic that when times are good prices are high and *vice versa*. Therefore, it follows that if purchases were spread more evenly, the average cost should be lower than if heavy expenditure is concentrated in the period of peak prices. On the other side of the picture suppliers would undoubtedly prefer steady flow of orders even though they would receive on the average lower prices and if the railways can benefit the manufacturers as well, by action to their own advantage, there can surely be little question that this is the proper course to pursue. I hope it is a fair deduction from the information we have received about the placing of orders for 6,000 wagons spread over three years that the Railway Department have, to some extent at all events, accepted this point of view. I am afraid, however, that, in the case referred to, the economies which we envisage by the adoption of this policy were not achieved since purchases were affected on a rising market, if not at peak prices. We recognise, however, that this is a legacy from the past policy of extravagance in fat years and undue economy in lean years. In the circumstances, we remain convinced that though the Government can do something to spread expenditure more evenly over a period of years they cannot from the nature of the case do much in this direction so long as the Separation Convention of 1924 remains unaltered.

For example, while we agree that the general revenues should receive a sum of not less than one half of the surplus, if any, that remains after the railways have met their working expenses and interest charges we hold strongly to the view that the railways should not be debited with any shortfall in that contribution as they are today. The balance of the surplus, if any, should in our view be placed to a reserve that may be used to secure the payment of the interest on the capital at charge, and the contribution to general revenues, arrears of depreciation, writing down and writing off capital and to strengthen the financial position of the railways for the reduction of rates and improvement of the services to the public.

Mr. B. Das: Thank you.

Mr. L. C. Buss: It is important both to the Government of India and to the Provincial Governments that their expectation of divisible proceeds from income-tax should not be upset by wide fluctuations in the Railway contribution to general revenues. This seems to us, therefore, an added reason for the case we advocate for the early revision of the Separation Agreement. In this connection there is a tendency in various quarters to refer to the Railway Contribution as though it were available for distribution among Provinces. This of course is not the case. Although we fully realise that the surplus available in the Railway Budget has a very important bearing on the amount of income-tax which can be distributed to the Provinces, but it must be understood that Railway revenues, belong wholly to the Central Government which remains solely responsible, therefore, for railway policy, financial and otherwise. The Central Government can no more surrender to the Provinces its rights and powers in this respect than the Provinces can surrender to the Centre rights and powers assigned to them under the Government of India Act. 1935.

We welcome the Honourable Member's assurance that stricter financial control is being exercised in all directions and we feel sure that this is the only wise policy. We recognise that in the case of the railways it is not so easy to exercise control over working expenses as it is in the case of an ordinary commercial undertaking, but we feel that every effort should be made to increase control in this direction no less than over capital works expenditure.

We also welcome the remarks of my Honourable friend on the subject of the co-ordination of road-rail services and in this connection I should like to take this opportunity of saying how much we appreciate the appointment of a Member in charge of a communications portfolio. This is a structural change in the allocation of subjects to which my Party attach great importance. For a number of years we have pressed for this development and it is a source of great satisfaction to us not only to see the change in operation but also to see the new portfolio in such capable hands as those of Sir Thomas Stewart.

At a time when railways are enjoying relative prosperity we feel that it is opportune to restate our attitude towards the relationship of railways to commerce and industry in this country. I have already mentioned that we recognise the importance of the railways as contributors of revenue to the Central Government, but it is essential always to bear in mind that the railways must also serve the commerce and industry of the country. The rates policy of the railways is, therefore, a matter of great interest to us and we recommend that the general principles underlying this policy should continue to be subjected to the most careful scrutiny. The fortunes of one industry in particular are most closely affected by the policy pursued by Government in regard to railway matters. I refer, Sir, to the coal industry about which we on these Benches may have more to say when the time comes to discuss the grants for the expenditure of the Railway Board.

The railways as the greatest employers of labour in the country have a special responsibility in these days of spasmodic labour unrest, and we should like to take this opportunity to welcome the appointment of the Conciliation Officer. At the same time, from what the Honourable Member has said about the functions of this officer, we are in some doubt as to the difference, if any, between the duties he will perform and those of any of the other labour officers who have been working for a number of years on various railways, or, for the matter of that, the labour officers who are now very widely employed by a number of commercial undertakings.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has got only two minutes more.

Mr. L. C. Buss: We see that the Conciliation Officer will function in respect of all the railways who have their head offices in Calcutta but that his duties are not confined to a single railway appears to be the sole difference between him and other labour officers. As I have said, we welcome the appointment and my remarks are only directed towards eliciting information. The importance of keeping in close touch with labour problems cannot be over-estimated, and there is obviously a great deal which can be done to forestall difficulties before they arise, provided

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there is close contact, and provided a spirit of trust and confidence is fostered by the Conciliation Officer. The creation of an Industrial Advisory Board as a tribunal to which reference can be made by the Conciliation Officer is a new departure, and its value can only be proved by experience. Personally I am a little diffident about this experiment as I feel there is a risk that the existence of an Advisory Board in the background may to some extent interfere with the effectiveness of the Conciliation Officer's work, and may create a wrong impression as to the importance attached to his post. However, since the decision has been taken we are quite content to await the course of events, and sincerely hope that any fears we may have will prove groundless.

We have scrutinised with great interest the note circulated to Honourable Members summarising the action so far taken by the Railway Department to implement the recommendations of the Committee presided over by Sir Ralph Wedgwood. The Chief Commissioner of Railways has pointed out in his speech in another place that a good deal had already been done by railway administrations, before the publication of the Committee's report, either on their own initiative, or as a result of recommendations previously made by the Pope Committee, along the lines recommended by Sir Ralph Wedgwood's Committee. I am sure Honourable Members will appreciate what has been done and I am equally sure that the Member for Communications and the Chief Commissioner will not permit the various administrations in their charge to rest content with what they have already achieved, but will see that every recommendation receives not only careful initial consideration but also regular reconsideration from time to time in the light of changing conditions.

Time does not permit me to comment in greater detail on the many interesting aspects of the working of the railways and I will conclude by expressing the hope that the Honourable Member will have a no less satisfactory state of affairs to place before us next year.

Mr. Ram Narayan Singh (Chota Nagpur Division : Non-Muhammadan): The congratulations to the Railway Member on his surplus budget are enough. I, therefore, do not propose to take up the valuable time of the House in following this convention. I, therefore, propose to go straight to what I have to say on the subject. It is during the presentation of the Railway Budget that the representatives of the people get an opportunity to survey the whole field of activities of the department throughout last year. Sometimes through the press, sometimes through the public platforms and always through interpellations and speeches in this House, a large number of grievances against the department have been ventilated. In the speech and the estimate, we expected that the Honourable the Railway Member will say something which will go to show that the grievances have been remedied, but when we read the speech of the Honourable Member and go through the estimate we find there is nothing, not a sentence, not even a word which goes to show that the department has made any attempt to remove the grievances of the people.

In this matter my province of Bihar is the worst sufferer at the hands of this department. Even the usual conveniences and facilities due to the passengers are not available at the railway stations. On the stations in the coal field areas which falls in my constituency of Chota Nagpur there are no passenger sheds and no raised platforms. At the same time

there are no facilities for the purchase of third class tickets. On most of the stations there are no arrangements for water supply. In the hot weather, I have travelled several times on the Patna-Gaya, South Bihar and some other lines and I have found that there is no provision for water supply on any station. I have drawn the attention of the railway authorities to this fact but to no effect. There are no proper inter class waiting rooms and the waiting rooms are something like dungeons. I have suggested several times to the authorities that at least on such important junctions as Gaya and Patna there ought to be a spacious and good inter class waiting room like those at Lucknow and Cawnpore, but the suggestion has gone to rack and ruin. Everybody knows that there is a hue and cry against the management of the B. and N. W. R. Several times the question has been raised in this House that the management should be taken over by the Government. So far nothing has been done to improve the administration there. It is rotten and I don't know why the Government have turned a deaf ear to all our suggestions. As regards the services also, the Biharis have got very small representation in the railway service of the country. (*An Honourable Member*: "No provincialism here".) Sometimes it is necessary. It is the duty of the State to see all its citizens employed and it is not desirable to centralise the recruitment and confine it to one or two provinces alone. This subject has been most elaborately dealt with in the Bihar Unemployment Committee Report. I am sure that the report has been presented to the Government. I have drawn the attention of the authorities to that report but I don't know whether they have had any time to look into that report.

As regards corruption, the less said the better. It is rampant. It is the railway employees and authorities that are to blame for it. I saw an incident with my own eyes on the station of Delhi, which is the capital of the Indian Empire. In 1928 or 1929, I happened to be at the station when I was travelling to my province. The railway coolies, the police and the railway staff appeared to have combined to extort money from the passengers. First of all the coolies come on the scene and they ask the passengers where they are going. When they say, "Patna or Benares", they say, "It is very difficult for you to get a seat in the train today as there is a great rush. The train now is standing somewhere else. If you pay me something extra, I will try to get you a seat". In this way, the coolies get extra money. The passengers are taken to the railway compartment and then comes the police and the railway staff.

3 P.M. The police and the railway staff begin to rebuke the passengers who are now seated in that compartment and tell them, "who brought you here? Get out, get away". Sir, I have seen with my own eyes the police driving by force passengers out of the railway compartment. Then those who paid something to the police and to the railway staff were allowed to stay there, but at that very time I found the coolies playing the role of the agent,—the same coolie who made the passengers to sit there would whisper to them, "hallo Sir, pay something to the Saheb, and you will be allowed to stay in". This I have seen in this very Delhi,—and here are the Government of India, here is our Honourable the Railway Member, and so many staff drawing so large and fat salaries and they do not know what is going on on this very station! Sir, they say that it is a commercial concern of the Government, but anybody who has travelled has experienced personally that all the employees of the railways behave just like officers; they never think that they are the servants of the people.

[Mr. Ram Narayan Singh.]

The Department is a commercial department and they ought to behave properly and better.

Sir, I shall quote another incident which I saw with my own eyes. I was travelling somewhere and a railway officer came to check the tickets in a third-class compartment. There was an old woman who addressed the officer saying "Babu" and the officer thereupon, due to the use of this word "Babu", got enraged and began to rebuke the old woman saying, "do you call me a Babu, am I your Babu?" Sir, he thought it a very disgraceful thing for him to be addressed as a "Babu", but the poor old woman did not know how to address him. So, this is the attitude of the railway authorities and employees.

Sir, I know why all these things prevail in this country,—it is because in other countries, in any free country, the railways are meant for the good of the people, the railways are meant to afford transport facilities to the people; and the railways are meant to develop the hidden resources of the country, but here in this country the railways are not a commercial concern, they are a political concern. Sir, here, the railways are meant first of all for affording an outlet for British capital, and secondly, the railways are meant to transport British goods from one corner of the country to the other, and to transport British troops from one corner of the country to the other, simply to terrorize them and to keep them under subjection, and thirdly

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has only two minutes more.

Mr. Ram Narayan Singh: and thirdly, the railways in India are meant to find out in the interior of the country markets for British goods. Sir, these are the underlying policies of the Railway Department of this Government. It is no good saying that it is a commercial concern. Had it been a commercial concern, then why has this been separated? Sir, there must be some intrigue of the Government of India why this Department has been separated from the Commerce Department. With these words, I conclude my speech, and I hope and trust that the Honourable the Railway Member will look into the grievances I have ventilated, not once but several times. I think this is again a proper occasion when the Government of India should look into all these points and consider them.

Maulvi Abdur Rasheed Chaudhury (Assam: Muhammadan): Sir, it is lucky that the Railway Department could produce a second surplus Budget and that they have estimated the surplus to be 2½ crores. I think, Sir, after the actual working of the year it will be possible to declare a better figure of surplus, as has been done in the previous year. This surplus cannot be attributed in full to the good working of the Railway Department; it was by luck that the traffic increased last year, and an estimated deficit of 3½ crores was converted into a surplus of 15 lakhs first and ultimately to 2½ crores. It is expected, Sir, that this prosperity of the railways will continue for some time; because, if the reason for the surplus of last year is scrutinised, it will be found that on account of the war clouds people of the different States have been storing up materials for use actually when the war breaks out. This has been going on even this year and I hope that as the armaments will increase, this will continue for some time and the prosperity of the railways will continue.

Now, let us see what this surplus means. The Railway Member in his speech showed that the capital outlay was something like 750 crores. He did not mention anything about the reserve fund. Probably they have no money for this. He mentioned the depreciation fund. That is an item of expenditure. Now, out of their earnings, they have been paying into the depreciation fund a big item, something like 29½ crores, as interest charges. It would have been useful to this House if the Railway Member could have explained what is the meaning of this enormous interest charge. What is their liability that they have got to pay one-third of their earnings every year as interest charges? And it is curious again that this interest charge is almost the same every year. Last year also we find that there was this interest charge of 29½ crores and again this year we find the same charge. So the amount is constant. It appears that the borrowing is also constant for which interest is going to be paid every year.

Now, Sir, what does this 2½ crores mean? For an investment of 750 crores they are getting a dividend, I should say, of 2½ crores. If a percentage of that is taken, it would mean that the dividend is less than ½ per cent.

The Honourable Sir Thomas Stewart (Member for Railways and Communications): Will the Honourable gentleman please add 29½ crores on to his dividend?

Maulvi Abdur Rasheed Chaudhury: That is interest. Even if this money was invested in a bank which now gives 1½ per cent., this investment of 750 crores would have easily earned a sum of something like 12 crores a year as net income. This shows that the administration of the Railway Department is not being carried on on business lines. The Acworth Committee of 1921 recommended that the aim of the Department should be to earn something like 5½ per cent. net profit and the Wedgwood Committee reduced it to 4 per cent., but in actual working we find that the Department is earning less than ½ per cent. I think it is not run on business principles as was the intention of section 183 of the Government of India Act. The reason is that there are not expert businessmen to run the administration. Had it been so, the Commerce Member would have been a businessman and not an I. C. S. Another point is that they purchase all their rolling stock from abroad. If the concern were to be run on business lines, the Railway Department ought to have started their own workshops for the manufacture of engines, wagons and other rolling stock in this country. They say that some parts of the locomotives cannot be had here but I should like to point out that this is a lame excuse. You can find in this country efficient people to run the railway administration and you can also get experts from outside. Take, for instance, Sir Girja Shankar Bajpai who is carrying on his onerous duties and who is not, I think, managing his Department worse than anybody else. If they had established their own factory for the manufacture of the rolling stock and other things, they would have been able to run the administration in a more economic way, and they would have been able to employ a good many Indians and thereby would have solved the unemployment problem to a great extent.

Then, Sir, the Department is run on the top-heavy system and we have been hearing complaints that even in their workshops outsiders are being imported to supervise the work of the Indian staff there. So long as these

[Maulvi Abdur Rasheed Chaudhury.]

things continue, there is no hope that the Department would be run on business lines. Then, Sir, some of the working of the Railway Department is rather mysterious. For instance, on the A. B. Railway there is no return ticket system although we find that in the case of E. B. R., E. I. R. and other railways return tickets are issued in order to afford facilities to the travelling public. This matter was referred to several times but to no effect. Sometimes the Department does not care for its own earnings when it wants to compete with the steamer service. For instance, on the Kulaura-Fenchuganj Branch of the A. B. Railway they are charging a sum of 2 annas and 3 pies per maund of tea for a distance of 12 miles but in other parts of the same railway and in other railways it is something like 3 pice or one anna. To evade payment of this sum, the neighbouring tea gardens adopt means of sending their tea to Fenchuganj station either by boat in the rainy season or by cart in the dry season. The railway is thus losing a good deal of money on account of their sticking to this high rate which they charge on tea from Kulaura to Fenchuganj.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has got 2 minutes more.

Maulvi Abdur Rasheed Chaudhury: Then, Sir, when they prepare their time-tables, they do not consult the public opinion.

An Honourable Member: The local advisory body is the public opinion.

Maulvi Abdur Rasheed Chaudhury: The Honourable the Railway Member referred to the opening up of the Meghna bridge the other day and said that it would facilitate the travelling in that part of the country a good deal. We also expected this, but when the new time table came out we found that nothing like that was expected. At present people can travel from Sylhet to Calcutta or from Calcutta to Sylhet in 24 hours, but when this time table was out, we found that we will have to travel at least another 7 hours more between Sylhet and Calcutta. This is mysterious. Instead of shortening the distance, they have made it longer on account of the bridge. If they had consulted the public

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Babu Kailash Behari Lal (Bhagalpur, Purnea and the Sonthal Parganas: Non-Muhammadan): Sir, I rise to add a few words of mine in this discussion on the Railway Budget. In the previous years—for the two years that I have been in this House, I used to find that, although there was a section of the House which was not inclined to object to anything that was said by the Government, they used to shower encomiums on the authorities. There was yet another section of the House which always treated the authority as a naughty boy and it was actually said in this House that the Railway Member, when he had to plead a wrong cause, used to put on an appearance of a boy who had not done his task well. This year, if I may be allowed to say so, the same naughty boy, the railway authority, does not appear to be so and it has come up with a Budget that may be said to be surplus. Although I am not so well up in figures—I cannot scrutinise them—I have to take on trust everything that is said in the speech. I feel inclined that at least this year, as the saying

goes, even the devil must have its due share of praise, and I should shower some praise or congratulations on the Honourable Member. Of course, we may have to make our own suggestions. But that is quite a different thing. But when there is a surplus budget, they deserve our congratulations. But looking into the speech of the Honourable Member for Railways, we find that it is brimming with the consciousness that there will be praise all round. There is some boast of implementing what is called the recommendations of the Railway Enquiry Committee. I do not know if there was anything worth implementing in that Committee's report. As it has been confessed in a way by the Honourable Member in charge of Railways in the Upper House—he has not confessed it in so many words—it was not even necessary to say that it was due to the recommendations of the Railway Committee that they have done that. The thing was done of their own accord. It was their duty to do so. It was a useless and unnecessary Committee. Although the Government did not say so in plain words, yet if we read between the lines, at least the meaning which we find is that it was their own duty that led them to do what they did, and not because of the recommendations of the Enquiry Committee. I do not know what recommendations they have implemented. Of course, the budget speech says that there will be some good work begun in the coming year. We have yet to see what these good works will be. I find that a sum of 10 lakhs has been provided for additional amenities to third class passengers. Let us hope and pray that the lot of the third class passengers will be ameliorated with this big sum of 10 lakhs where hundred crores—to be more exact 94 crores—are estimated for other works.

Then, I find that a Conciliation Officer has been stationed in Calcutta to establish good relations between the railway authorities and the employees. For all these and many other things that the Honourable Member may have omitted to say in the budget speech, they deserve surely the thanks of this House, over and above the emoluments they receive.

Having said this much, I wish to place before the railway authorities for their consideration some of the grievances, although some of them have been touched by my Honourable friend from my Province. Although a Conciliation Officer has been stationed in Calcutta with some set purpose, yet it is not clear whether cases of the kind which are in my mind and which I had occasion sometime before to place before the authorities in this very House—cases like that of Karu Gope—I am sorry that the Honourable Sir Zafrullah Khan is not present in the House now—will be covered and scope given to the Conciliation Officer to deal with such cases. I have got a long list of such cases in which glaring disregard of the rules by the gazetted staff on State managed railways has been perpetrated. We have brought to the notice of authorities in this very House several cases in which we were successful in the end for which surely our thanks are due to the authorities, but I beg to submit, there are other cases—I hold a long list* of them in my hand which I beg to place on the table of the House for the information of the Honourable Member so that he may take them into consideration and redress the grievances mentioned there. I want to know from the Honourable Member whether such cases will come within the scope of the duties of this Conciliation Officer to look

* Not printed in these Debates; placed in the Council Library.

[Babu Kailash Behari Lal.]

into. If this Conciliation Officer can do something for such kind of injustices, then much of the corruption and much of the grievances of the people may be removed. As some of my Honourable friends have said before me, it is not only the treatment of the railway staff towards the public, but it is the treatment amongst themselves also that is causing a good deal of inconvenience to the public at large. Such cases should come within the scope of the duties of the Conciliation Officer.

Now, Sir, as my Honourable friend, Mr. Ram Narayan Singh, was submitting, our Province of Bihar is suffering so far as representation in the railway services is concerned. An Honourable Member interjected, while my friend was speaking, that there was no scope for provincialism in the railway services. I also remember, the other day in reply to a question, the Honourable the Home Member also said that Government did not recognise representation on territorial basis. I beg to place before the Honourable Member in charge of Railways, in all humility, for his consideration whether it would not be in the interest of justice and fairness, and for the growth of better feelings amongst the people who inhabit the different Provinces, that a system of representation based on territorial basis should be recognised by the authorities; and if this is recognised, I think perhaps much of the bad features that we observe in our country at present based on communal grounds and much of the bad feeling generated in the country on account of the recognition of the basis of religious denomination will disappear. And if the authorities accept the principle that it is better to recognise the division of these services amongst the people of this country on a territorial basis and not on a communal basis, I think perhaps they will be not only doing a duty to this country only but they will be doing a duty also to themselves, as they say that they are the trustees of the dumb millions of this country. But sometimes political considerations come in their way and healthier and sounder principles do not appeal to them, and they recognise some principle which may not be of any importance to them but matters much to the country. On this consideration they rule out a healthier and sounder principle and say openly that this principle is not recognised by Government, whereas they recognise principles which do much harm to the country.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has got two minutes more.

Babu Kailash Behari Lal: Then I have to submit something about the rail road competition about which the Honourable Member made mention in his speech. I had to say much about it as I am connected with the Road Committee, as Honourable Members are aware. The Honourable Member said in his speech that there is a section of people who believe that the railways are relentless enemies to the development of other forms of transport. I am one of those who believe this and I am prepared to give my reasons for it. One reason is that much of the money that the railways make goes to the pockets of those who are not the sons of the soil.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Babu Kailash Behari Lal: And therein lies the reason why the people object to the railways having so much money.

Sir Abdul Halim Ghuznavi: Mr. Deputy President, as you anticipated and if I may say so correctly, I will start my observations by congratulating my Honourable friend the Communications Member and his colleagues on the excellent surplus budget which they have presented to this Honourable House. It is only right that credit should be given where it is due. These congratulations have also been offered by my Honourable friends sitting on the Benches to my right. No doubt the Administration have been favoured by luck, but their efforts in the right direction are deserving of praise. I hope that they will make further efforts in the direction of economy and improvement. Luck alone would not have achieved what they have done; they have made great efforts. As a member of the Standing Finance Committee of Railways I can say that every effort has been made to increase the revenue, and the watchman who watches over the expenditure, my Honourable friend, Mr. Staig, looks to the expenditure very minutely, and the House may rest assured that he will not pass a single item of expenditure if he does not feel that it is necessary.

Sir, I wish to say a few words on the few points that I shall raise later on in the debate, and I will give the headings of these points. The first point that I shall raise is about railway accidents. In 1930 I moved a Resolution in the House as follows:

"This Assembly recommends to the Governor General in Council that steps be taken in all cases of railway accidents entailing loss of human lives, first, to institute a Coroner's inquiry; second, to deliver the bodies of the deceased to the relatives concerned, as far as practicable, and failing that to different social service organisations, and third, to institute a judicial inquiry by a committee to be composed of officials and non-officials."

Sir, when this Bihta accident took place, I and my Honourable friend, Sir Ziauddin Ahmad, insisted on the then Railway Member to direct a judicial inquiry, and that resulted in the inquiry that is now going on. I will not go into the details of the judicial inquiry at the present moment. All that I want the Honourable the Communications Member to remember is that the report will be before us very shortly, if not this month at least next month; and he will kindly give us a date before we disperse in April to discuss at length this Bihta disaster. Things which but for this inquiry would not have been brought to light need serious attention of the Members of this Honourable House.

The next thing that I want my Honourable friend, the Communications Member, to remember is that we should like to know who was responsible for buying these XB engines. One more point about this Bihta accident is this. A statement appeared in the *Statesman* that the Judge conducting this inquiry (Sir John Thom) remarked:

"My orders and directions are being trifled with by Counsel and by officials of the Railway Board. I consider the explanation with regard to the non-production of these books as highly unsatisfactory and I resent the Court not being treated with courtesy and candour."

This is a very deplorable condition of things. I hope the Honourable the Communications Member will take note of the remarks made by the Honourable Judge.

[Sir Abdul Halim Ghuznavi.]

The next point that I want to take is the appointment of Indians as Railway Agents. Last year when the Budget was discussed in the Upper House, the Honourable Sir Guthrie Russel said:

"The Honourable Member is no doubt aware that one Indian has only lately retired and another Indian would no doubt be appointed as soon as a vacancy occurs for which the most suitable selection would be that of an Indian officer."

I will ask the Honourable the Communications Member whether he remembers this promise and whether he is going to honour this promise now that the Agent of the East Indian Railway is, I am told, going on long leave and the Agent of the Eastern Bengal Railway is coming up to the Railway Board.

Sir, the third point is about the railway collieries and the position of coal. I have received a telegram from the committee of the Indian Mining Federation to the following effect:

"Railway Member's statement regarding coal purchase policy causing grave anxiety as it endangers entire coal trade stop kindly give notice cut motions railway budget discussion coal purchase policy stop details following by post. Committee, Indian Mining Federation."

Sir, I have studied the position of the Indian railway collieries for the last five years. Three and a half million tons of coal are required by the railways. The Railways by previous arrangement or by convention used to raise one-third of that quantity from their own collieries and they used to buy two-thirds from the market. Honourable Members are aware that last year or the year before last—I do not remember the time exactly—my Honourable friend, Mr. Satyamurti, raised in the Public Accounts Committee the question—why should not the Railways raise the full quantity of coal from their own collieries instead of buying from the market. Naturally, that would have been very detrimental to the interests of the trade, and the trade would have resented it; they would have said: "You can do that now, but remember what will happen in the future. You will kill the trade and not only yourselves but other industries as well will be in a tight corner". But, Sir, the position this year is different. The railway, as usual, gave to the public two-thirds of the quantity that they required for the running of their trains. But prices having gone up, a number of colliery owners did not deliver the coal according to the terms of the contract entered into by them, with the result that the railways would have come to a stand still but for the efforts made by the Railway Board to get all their collieries working at full speed and raising the quantity needed for running the trains. Congratulation must go to the Chief Mining Engineer of the Railway Board for saving the situation. Therefore, it does not lie in the mouths of the colliery owners now to come before the House and tell us that railways should not raise their own coal while a number of them failed to honour their obligations to supply the railways with coal to the tune of 5 lakhs tons up to the end of 31st December. What was the position of the railways in last July? Some of the railways did not even have two or three days consumption of coal in stock, and they had to work their collieries to the full in order to save the situation. Of course, the Honourable the Communications Member said that he was thinking of continuing to raise to the fullest extent now from the railway collieries. Certainly that will not affect the trade at the moment because

the trade can sell their coal at a higher price even now, but if a contingency arises, I am sure, the Communications Member will not put the public collieries in difficulties. Sir, railways are a commercial concern. Three or four years ago they raised their coal at a high cost, but since they adopted at my instance the system of calling for public tenders for raising their coal, the cost has been reduced by 100 per cent. if not more. Today the result is they can get their coal raised at a much cheaper cost than they can buy from the market.

Mr. B. Das: They must be grateful to you.

Sir Abdul Halim Ghuznavi: I am very grateful to my Honourable friend, Mr. Das. He was on the Public Accounts Committee where he pointed out that thanks were due to me—and the Committee admitted it to be so—for having pressed for public tenders in their connection—I brought this matter before this House and forced the railways to adopt the policy of calling for public tenders and thereby reducing their cost of coal. This put me in the bad books of the powers and interests that be and I was considered an enemy No. 1 of the public—but what about the result? What is the saving? Tons of money have been saved by calling for public tenders for raising the coal.

Now, Sir, the third point that I wish to raise is about third class passengers. Day in and day out, we are told that nothing has been done for them. I must say railways have done and are doing as far as it lies in their power to furnish amenities to the third class passengers. (*Interruption.* “No, no”.) Without listening to what I have to say some of my Honourable friends have started crying “No, no”. Now, let me complete my observations and then let them say “no, no.” if they like. As for the amenities for third class passengers (*Interruption:* “He has got air-conditioned first class”.) I have got only a few minutes. Years ago what used to happen. (*Interruption:* “First class was worse.”) Third class passengers at times of rush used to be carried in wagons.

Mr. Sri Prakasa: He is finished.

Sir Abdul Halim Ghuznavi: I do not finish so soon as you, you get exhausted very soon, but I do not. Sir, look at the arrangements they are making for Kumbh mela. Years ago they used to consider such occasions as a nuisance as they had to control large traffic, and they used to pack pilgrims off as herds of cattle. Now, tons of money are being spent for the comforts of third class passengers.

Mr. Sri Prakasa: But more for first class.

Sir Abdul Halim Ghuznavi: They are doing and they have done all they could, but it is always difficult to please my friends, Mr. Joshi and Mr. Sri Prakasa—so they may be left out of account.

Mr. Suryya Kumar Som (Dacca Division: Non-Muhammadan Rural). In rising to speak a few words on the Railway Budget I find myself in a very delicate position, because I find that even my gallant friend, Mr. Sri Prakasa, has congratulated the Railway Member for producing a surplus budget, but the question is not whether the surplus is a few

[Mr. Suryya Kumar Som.]

lakhs or a few crores. Let us go into the realities. Railways are commercial concerns with a capital, according to the present Member, of 750 crores. But we used to hear it was over 800 crores. Then, Sir, let us consider the surplus budget with reference to the capital with which it works: it is working with this capital for a very long time, and for many years we were losing by crores. I must say, that as a starving man feels happy when he get a feast, however bad, Members of this House, who have been used to hearing of deficit railway budgets for years and years—last year the surplus was only a drop of a few lakhs—feel very happy at a surplus Budget, however small the surplus may be. I would ask Honourable Members to consider what the percentage on the capital income is. It is less than half per cent.; and if that had been the percentage of a commercial concern, it would be the duty of the directors to close that department after two or three years. That is the view I take of this present surplus budget. It is strange that when the railways which had shown a deficit budget for years and years and never showed the proper income as should have come from a commercial concern, it did not strike the authorities that there must be something wrong somewhere: they never made any attempt to understand the difficulties or rather the defects in their administration. We the public knew the defects and we knew that unless the amenities of the third class passengers were improved and railway travelling was made more attractive its revenues would not grow; and unless this top-heavy administration was mended there would never be any surplus. That is the view I take of this railway surplus: and like a starving man, at the sight of a morsel, let us not praise the Railway Member because he has perchance produced this year a Budget showing two or three crores of surplus.

With these observations I will come straight to the particular point about which I have been feeling very keenly. It is the grievances of the third class passenger. The public has been crying from early eighties of the last century about these grievances. (*An Honourable Member*: "Improvements have been made".) I am coming to that. The Government after years of agitation were convinced that they could not further ignore the claims of this class,—not that they were willing to do it or that they had any great sympathy with the poor but they could not ignore these claims which had been taken up on the platform and in the press. Therefore, in the year 1935 a proposal was made for improved bogies for third class passengers and in the early part of 1936 two bogies were produced of an improved pattern in the Delhi station for the inspection of the Advisory Council of which I was then a member. We inspected it and I must say that we found it really very comfortable for the class of people for whom it was intended. . . .

Mr. N. M. Joshi: What is the meaning of "class of people"?

Mr. Suryya Kumar Som: Third class: I mean the third class people, including the poor middle class—it may not be very attractive to the Knights who generally travel in air-conditioned first class coaches, but it was very comfortable for the third class passengers like ourselves. Some of us inspected these bogies and all of us approved of it and the Chief Commissioner of Railways took a note of it and promised then and there that they would replace the old carriages as soon as possible as funds were available. That was the promise given in 1936.

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

Now we are in 1938. Two years have elapsed. But we have not found any improved pattern third class bogies on the lines. More curious is the diplomatic statement of the Railway Member in his budget speech. He says "some are under construction or in the course of construction and will be put on the line". We expected a definite statement on this point, but instead we have a diplomatic statement. He further says "embodying most of the improvements in that model". What that means I cannot say. Perhaps it means that it will take another three or four years: and most of the improvements perhaps means not all. It appears that the model which was approved by the Advisory Council has not been adopted *in toto*. Am I to understand that? I am afraid from this diplomatic statement we have to infer that none have been constructed so far and perhaps we will be told later that the materials are being got ready and we shall hurry it up!

But compare this treatment of the third class passenger with the treatment accorded to first class passengers, or rather to themselves! Last year during the budget statement we were taken by surprise by a new model of first class bogies that were to be introduced in the railways, i.e., air-conditioned. Nobody knew of it: nobody wanted it; there was no agitation and no question, yet the Railway Board of their own accord came forward with the proposal and sanctioned a few lakhs of rupees as an experimental measure to prepare three or four bogies. Who wanted them? Nobody wanted them. But where the people have been demanding from the early eighties of the last century for amenities for the third class passengers, a model was shown, like a magician, in 1935 and we were satisfied that something would be done and we went out into the mufasil and told the people that improved carriages were coming. Two years have passed and now we have a diplomatic statement: "are being constructed or are in course of construction." This is in diplomatic style. Nobody understands what it means. This is the lot of the third class passenger. We find that this year about 197 broad gauge and 109 metre gauge coaches on the same model will be prepared. This will cost not more than a crore of rupees. But I find that 4½ crores of rupees

have been sanctioned for rolling stock, and for a necessity
 4 P.M. which arose long long ago, and about which a promise was made in 1935, a proposal has just been made to spend less than a crore of rupees this year,—I mean for the provision to give better amenities to third class passengers. The railways have always expressed their sympathy for the third class passenger, because they admit that the third class passenger is their best customer. Now, I must say that my friend, Mr. Sri Prakasa, was right in defining the word "best customer" as the dumb millions. . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Mr. Surya Kumar Som: Sir, I have almost finished.

Mr. President (The Honourable Sir Abdur Rahim): I cannot allow him to continue.

Dr. F. X. DeSouza (Nominated Non-official): Mr. President, I do not propose to intervene in this debate except for a very few minutes, and

[Dr. F. X. DeSouza.]

my object in intervening here is to draw the attention of the Government and of the Railway Board to the very severe hardship caused to the growers of primary products in Southern India by the railway freight rating policy that the Railway Board is pursuing. Sir, only the other day at question time the attention of the Government was drawn to the very heavy freight cocoanuts had to pay from Southern India where they grow in abundance to find a market in Delhi and in Northern India. The position of that industry, as Honourable Members of this House are aware, is now very depressed, and all exports being closed to that industry, they endeavour to find a market in Northern India, and they find that the freight levied on coconut acts as a very severe handicap against an attempt to find a market.

Today, Sir, I intend to speak rather on the coffee industry. Honourable Members are aware that industry is now passing through a period of unexampled depression. Practically all foreign markets are closed to it. On the Continent owing to their policy of economic nationalism, exchange restrictions and so forth, they have closed their markets to Indian coffee. Germany, Italy, and Sweden, who were our best customers at one time, are hardly importing even a bean of Indian coffee now. Similarly, France used to be our very important customer, but in spite of the inferior quality of their own produce, she has turned her attention to Cochinchina. Even the United Kingdom, where we have nominally a preference, to whom we have given a preference in this country for their manufactured goods, have now diverted their attention, and they prefer to buy their coffee not from us who have a nominal preference, but from their own kith and kin in Kenya or from the produce of their own capitalists in Ceylon. The result is, we have no market at all outside India, and we are attempting to find a market in Northern India and other parts of India where coffee is unknown. Sir, this House only three years ago seeing the plight of the coffee industry inaugurated a Coffee Cess Committee, and the object of that Committee is to popularise the use of coffee by propaganda in all parts of India. In pursuance of the policy of this Coffee Cess Committee, we are now trying to popularise coffee in Northern India, but unfortunately we find that the freight charged by the Railway acts as a very severe handicap in popularising coffee in this part of the world. This is a question, Sir, in which not only Indian planters are interested, but even to a larger extent the European planters are interested, and I feel quite certain that the European Group will support my request. I am sorry that my friend, Mr. James, who is a distinguished representative of the planting interests in this House is not in his place now to hear what I have got to say.

Sir, the freight levied on coffee in normal times is fixed on the usual scale of maximum 62 pies per maund per mile and minimum 16 per maund per mile, but I need hardly say that the Railways with their usual generosity always levy the maximum. The result is this, that the freight on a maund of coffee from producing centres like Coimbatore, Salem or Mangalore to Delhi is more than Rs. 5 a maund. Now, Sir, when the price of coffee was Rs. 45 a maund, as it was three or four years ago, nobody felt this as a grievance; but today the price of coffee is only Rs. 15 a maund, and when you have to pay a freight of as much as Rs. 5 a maund on stuff which is not worth more than Rs. 15 a maund,

you can well imagine the price mounts up. The success of the propaganda here would depend naturally, in the first instance, upon the cheapness of the product, but if the freight rate is as much as Rs. 5 a maund, we shall never be able to sell coffee here at a reasonable rate especially when this product is unknown here. Of course, the first objection of the Railway Board against the lowering of the freight charges would be that it would reduce their income from freight. Well, Sir, I venture to suggest to the Railway Board and to the Government that the railway is a public utility concern, and not merely a money-making concern. The railways have been built and are being kept up by taxes paid by the taxpayer, and therefore the taxpayer has every right to expect the maximum of benefit, for the success of the industry and prosperity of Indian trade and Indian agriculture would depend upon the services rendered by the railways. This was the view, Sir, expressed by the Tariff Board on the Chemical Industry, and this is what they say: "A railway is a public utility service, and its objects must be to provide transport at the cheapest possible rate so that both industry and agriculture may develop and so add to the prosperity of the country". That being so, I submit that even if they have to suffer a slight loss in income in consequence of the reduction of freight or by charging a rebate rate, it would be the bounden duty of the railways to incur that loss for the purpose of keeping alive the coffee industry which otherwise, I fear, will be in danger of extinction.

But, I maintain that the railways will not suffer a loss if they grant a rebate and for this reason. I have every confidence that the success of our propaganda in Northern India will lead to such an extensive increase in the importation of coffee into Northern India that what may be lost in the freight will be more than made up in the total increase in the tonnage. The Government will say "This is not our business. We have fixed a maximum and a minimum rate. It is entirely for the Railway Board to say what rate they will levy". True, the Government have fixed a maximum and minimum rate but by so doing they have not become *functus officio*. It is open to the railways by manipulation, by changes of classification of goods, to levy such rates as they think fit on any particular commodity, without regard to the interests of that industry. But Government ought to indicate to the Railway Board what their views are and to ask them to carry out certain changes in their freight policy when the interests of the industry demand it. I am asking for this action on the part of the Government not as an isolated case. Other Governments seeing the plight to which the coffee industry has been reduced have promptly endeavoured to come to the rescue by granting an immediate rebate on all transport charges whether by rail or by steamer. I am speaking of the Kenya Government. The Kenya Government immediately on the announcement of the action of the Brazil Government which caused such a fall in the price of coffee, ordered a reduction by 50 per cent in all freight by sea or by rail on coffee carried from Kenya. May I ask the Government of India not to lag behind? If the Government of Kenya found it necessary to look after the interests of coffee by a wholesale reduction of freight, I respectfully ask the Government of India to do the same and to indicate to the Railway Board the method by which they can come to the relief of the hard-hit planter. I do not wish to detain the House any longer. This is the only point which I ask the Government and the Railway Board to bear

[Dr. F. X. DeSouza.]

in mind and I have got every hope that today I shall have some assurance that the Railway Board will look into this matter.

The Honourable Sir Thomas Stewart: As is natural in the course of a general discussion such as we have had today, the speeches of Honourable Members have covered a very wide field. Some of them have spoken on wider or more general issues and some have confined themselves to, I won't call them petty details but at any rate, unimportant details. I shall try, as far as I can, within the limitations of time and within the limitations of my own knowledge to deal with the various subjects which have been raised and if I should not be able to deal with all the points I trust that Honourable Members to whom I am not able to reply will acquit me of any discourtesy. I wish to assure them that myself and the Railway Board are open not only in the House here but at all times to hear any representations that individual Members may have to make.

To start with, I should like to make something in the nature of a personal explanation. Two speakers, early in the debate, regretted the fact that I had made no mention of the Bihta disaster and I felt that there was some sort of implied accusation that I had been lacking in humanity in that I made no expression of the sorrow that had been felt by the Government of India by reason of the Bihta disaster and the more recent Bamrauli disaster. Now, Sir, I think it is common knowledge that immediately after the occurrence of both of those disasters the Government of India and the Railway Board were quick to express their sense of extreme sorrow at what had happened. I did not, therefore, consider it necessary to repeat that expression of sorrow and I deliberately refrained from any other mention of the Bihta disaster. It seemed to me that it was obviously a matter to avoid so long as it was the subject of a judicial inquiry. I trust that the Members who criticised me on that account will accept this explanation as satisfactory.

First of all, as regards the criticisms and remarks which have been made in respect of our general financial policy. Dr. Sir Ziauddin Ahmad harked back to the question of the allocation of the Burma share of the depreciation fund. I had thought that the position in regard to that matter had been made clear in the course of the corresponding debate last year. My predecessor, I think, explained that it was not a matter which could be reopened now. Whatever the sum given to Burma and whatever its justification, it was the subject of an award and we could not reopen the case. Dr. Sir Ziauddin Ahmad displayed a considerable amount of interest in our depreciation fund and he seemed somewhat astonished and mystified about the use of a curious fraction— $1/60$ ths. He said that it is not a scientific figure. Well, I admit it is not a scientific figure but it is by no means arbitrary. I think if the learned Doctor got down to a scientific examination of our depreciation calculations he would find that what we are doing saves a tremendous amount of time and trouble by using this approximate figure of $1/60$ ths instead of carrying out an elaborate calculation in respect of the various assets for which the depreciation rates must inevitably differ. He also seemed somewhat mystified by our allocation rules. He said that sometimes we debited our expenditure to capital, sometimes to depreciation and sometimes to revenue. Now, I could not possibly this afternoon give the learned Doctor a lecture . . .

Mr. Sri Prakasa: On Mathematics?

The Honourable Sir Thomas Stewart: . . . not on Mathematics but on the principles of allocation. I can, however, refer him to section 6 of the very admirable report on the Appropriation Accounts of Railways in India for the year 1934-35 which was prepared by Sir P. R. Rau. He will learn all about the principles of allocation therein. Sir Henry Gidney expressed the desirability of reducing the very considerable interest charges which we have to pay. I, like him, would welcome their substantial reduction. There are two ways, perhaps, in which that could be done,—one by conversion loan processes, which would get us money at more favourable rates, and the second is by the creation of an amortisation fund. Now, the first of these processes is a function of my Honourable Colleague the Finance Member and I think we may leave in his capable hands the carrying out of that process. Sufficient for me to mention that we incidentally get the benefit of any conversion operation which is carried out for the benefit of general revenues. The creation of a fund to reduce our capital at charge is, in present circumstances, a counsel of perfection. I do not see that in the immediate future we will be able to create such a fund. Mr. Buss expressed some anxiety that we should not embark upon an extravagant capital programme. I think I can give him that assurance. We are not unmindful of the lessons of the past and I think that he may deduce from our last two Budgets that we are in no extravagant mood. He has also asked what is to be the position in regard to the convention, and he raised the question of a revenue reserve. In answer to that, I would refer him to the speech of the Honourable the Finance Member on the Resolution suspending the contributions to the Depreciation Fund and to general revenues in the debate of the 7th October, 1937. The views that he then expressed are still those of the Government of India.

I now pass on to certain criticisms of our rating policy. The Honourable the Deputy President returned to the charge that our rating policy is deliberately directed towards fostering external trade interests at the expense of Indian industry, and he complained that the charge he made has not been met. I have examined with some care the figures and examples which he gave in the course of his speech last year and I have been wholly unconvinced that he has made out any case at all. If any case was made out, it was not that Indian industry was suffering for the sake of external trade: it was, perhaps, that one section of a certain industry in India was less favoured than another section of the same industry in India. He has produced another case to demonstrate that we subordinate the internal trade interests to those outside. When I heard it I was rather surprised and I was somewhat agitated, because I thought this was something that had lately occurred. It really refers, however, to a rebate, that has been in existence for 38 years,—a rebate on traffic going into Iran through Indian territory, a rebate that was given in order to help Indian traders in Meshed who are interested that the trade should go into Iran by land rather than by sea to Bunder Abbas. I feel somehow, that this latest example does not help his case in any way. But the accusation is not a new one: I have a record of it of as long ago as 1915. But much more recently than that, the question was raised in the Public Accounts Committee who asked that the Railway Board should examine this allegation and put up a note to them. Now, that note is contained in Appendix VII to the Report of the Public Accounts Committee

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for the year 1934-35, and a rather interesting part of that note is a quotation from the Report of the Acworth Committee in 1920-21 which supports, I think, the denial of the Railway Board that any such accusation can be raised against them. Mr. Buss impressed on me the desirability that our rate system should continue to be subject of scrutiny from time to time. He must have noticed from my Budget speech that the Railways are in the process of reorganizing their commercial departments, and it will be one of the functions of these commercial departments to scrutinise rates,—to see that they are commercial rates, for, after all, our commercial department will be out to sell transport, and they will not be able to do that in the most successful way unless they are quoting the very best rates they can.

There have been a few references to road-rail competition and the attitude of the Railways in that respect. Now, so far as I have been able to make out, there were no really serious criticisms about policy. It is true that the Honourable the Deputy President made objection to our experiments with rail cars and with motor transport. He said, "you have lost traffic; why should you try to get it back?" He reminds me of the French story of the little boy who was tormenting a dog. The dog bit him, and he went crying to his mother and said that the dog was a very naughty animal: "When I attacked it, it defended itself!" That was rather the attitude that the Honourable the Deputy President was taking up.

The case of the lower-paid servants of the Railways enlisted three advocates, Mr. Sri Prasaka, Sir Henry Gidney and, of course, Mr. Joshi. Mr. Joshi, however, reserved his fire for a future occasion and he will forgive me if I reserve mine. Mr. Sri Prakasa built up a very telling indictment of the Railway Board and the railway administrations, but as far as I could make out it was based entirely on one case of a station master who was refused casual leave. I am not going to attempt to deny for a minute that these unfortunate things must happen, but I would ask him to believe that they do not necessarily indicate a state of absolute serfdom amongst our railway employees. Sir Henry, I think, was concerned mainly with the diminution of what was considered a valuable privilege, namely, the pass privileges enjoyed by railway servants. I am not at this moment in a position to give Sir Henry any assurance on that matter. I can merely tell him how matters stand just now. We have taken the opinions of all the concerned Agents as to the effect of these modifications of the past rules and we have only now received their answers. Until these have been considered, it is impossible for me to make any definite statement here and now.

I now come to the question of corruption in our railway services. This is a matter that is raised from year to year and I want to tell the House that the assurances that come from these Benches again from year to year are no mere formalities and that we are as anxious as anyone to get rid of this blot on our reputation. I am not one of those who believe that by calling bribery *dasturi* you make it therefore a more venial offence. I, like my predecessors, consider that there should be no consideration for the taker of bribes. But, equally so, do I believe that there should be no consideration for the giver. Bribery is not a unilateral transaction: it is bilateral: and until there grows up in India a public morality, which will be more against the giver of bribes than the taker, until that time . . .

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Money is taken under coercion.

Mr. Sri Prakasa: The taker of bribe being in office has a greater responsibility.

The Honourable Sir Thomas Stewart: That is an ethical argument and we may continue it in the lobby some day. In any case, I am free to express my opinion that until that public morality has grown up, we can never achieve the success for which we are all working. The tragedy of it is that the innocent are marked with the stigma of the guilty. It is very easy to make a general and an anonymous accusation: it is impossible to refute it.

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): The giver of bribe and the taker of bribe will both go to hell.

The Honourable Sir Thomas Stewart: I have no doubt that many old friends will meet there. But I should like to tell the House the experience of the Chief Commissioner of Railways and of the Financial Commissioner who recently were on tour. In the course of interviews with no fewer than 17 Chambers of Commerce they raised this question of bribery. In no case, was there forthcoming anything more than the general accusation. In none of these 17 interviews was there any specific accusation made. Now, Sir, this is unfair to our honest staff. Let us have information and we shall follow it up relentlessly and, given that information, we guarantee to clean our Augean stables. But I would say, at the same time, that I must not be understood to think that the whole of our administration is one seething mass of corruption because I do not believe it is. Like corruption, incivility is brought up every year and I have no doubt that the Honourable Members who raise this question year after year feel that they are beating their heads against the wall. I trust that when they have read the report of what we are doing,—which will be found on page 7 of the statement of action taken on the Wedgwood report,—they will believe that we are doing our best. It is a slow process to educate a large staff in a habit to which they have been long unaccustomed. It is a process of education and we are prepared to apply the modern educational methods of moral suasion. But, in the last resort, if moral suasion does not succeed, we are prepared to punish for default. I know Sir Henry does not agree with me, but I think it will have a most salutary effect if summary methods of punishment are adopted where railway servants have been, beyond all shadow of doubt, proved guilty of incivility.

Lieut.-Colonel Sir Henry Gidney: Quite right.

Mr. Sri Prakasa: Then no Anglo-Indians will be left there.

The Honourable Sir Thomas Stewart: I next come to the policy of the Government of India in regard to coal raisings. Now, Sir, I believe it likely that the policy of Government in this respect will be a subject of debate in the course of the next week. I do not propose, therefore, to be argumentative, but I should like to give the House a somewhat more detailed objective statement of the circumstances in which we were placed last year and in which it was found necessary to increase our raisings

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from the railway collieries. The trouble started in the latter months of 1936-37 when the market supplies fell off and the railways found themselves in what they regarded even then as a critical position. Expressed in terms of days' supply, the Eastern Bengal Railway in December, 1936 had 11 days' supply against an average monthly stock of 29·4. The corresponding figures for the East Indian Railway were 22 and 45, for the Great Indian Peninsula Railway 19 and 38·4, and for the North Western Railway 22 days as against the average monthly holding of 51·5 days' supply. Deterioration continued and in April 1937 the contract supplies due in 1936-37 were actually two lakhs of tons in arrears and the new contracts due to be delivered in April were already 30,000 tons in arrears. By the middle of May, the North Western Railway was receiving only 40 per cent. of its requirements and the other three State-managed railways only 50 per cent. of their requirements. In July, 1937, the position was critical all round. Those who are interested in coal mines will remember their own nervousness in regard to the labour situation. So much was their apprehension that we, in the Government of India, were pressed to relax our restrictions on the employment of women in the mines. At the same time we were receiving from various industrial interests demands to do something because they could not get coal. The Railway Board had realised that matters were getting critical and in the middle of June, they had already taken the action described in their communique of 14th June:

"The increased traffic on the railways coupled with the failure of a number of collieries to give full supplies to the railways has led to depleted stocks rendering it necessary to secure fuller supplies and steps have therefore been taken to increase substantially the output of State collieries in the Bokaro collieries and additional contracts have also been placed in the Central Provinces where the labour position is easier than in Bihar and Bengal."

By the middle of August, things were no better. I will not quote the state of supplies for all the railways but let me quote a typical case. The Assam Bengal Railway was holding 46 days supply at the end of July, 1937, as compared with 147 in July, 1936. That is to say, practically one-third of its normal stocks. Of course, I may be asked whether this shortage of supplies was not due to actual shortage of coal. My view is that it was not due to that cause. My reasons for saying so are these, coal actually moved on the East Indian Railway in April, May and June, 1937, was 377,000 tons more than the move in the corresponding period of the previous year. Secondly, the raisings in Bihar and Bengal in the month of July 1937—in that one month alone—were 305,000 tons higher than in the July of the previous year. At the same time there were no substantial variations in the shipments of bunker and export coal. I think it may reasonably be concluded that the coal was there. But matters still got worse and in December, 1937, the market supplies to the four State-managed collieries were 557,000 tons in arrears. This does not include the 250,000 tons which were short supplied to non-State railways. I do not know what would have happened if we had done nothing. But we did act and what happened was that by a piece of extraordinary good organisation our State collieries which were intended to produce 12 lakhs of tons in the year were speeded up and coal was produced at a rate equivalent to 21 lakhs of tons in the twelve months of the year.

Mr. B. Das: And you employed women labour there!

The Honourable Sir Thomas Stewart: For very good reasons. I think the Railways may claim that not only did they save their own position but made a very valuable contribution towards the interests of industry as a whole.

Now, I come to the question of the amenities that have been provided for third class passengers. This is again a hardy annual and I feel that Honourable Members on the Benches opposite and on this side too have got so accustomed to the statement that nothing is done for the third class passenger that they actually believe that nothing has been done. I consider it important, therefore, that I should re-state at a little length what we have done. In my Budget speech I made reference to the construction of an improved type of third class carriages in the present year and in the year to come. I have a suspicion that by saying so I gave the impression that nothing had been done before, and that this was the first year in which we had woken up to the interests of third class passengers. But let me remind the House that in 1925 Government appointed a Committee to consider this question of accommodation for third class passengers and as a result of the deliberations of this Committee and its permanent successor which we now know as the Standing Carriage and Wagon Standard Committee, there were constructed in 1927-28 model standard third and intermediate class carriages and composite carriages which were approved by the Railway Board. The State-managed railways were asked to adopt these new patterns and the co-operation of the company-managed railways was also invited. Actually between 1928 and the end of 1936, 785 of these new type carriages had been constructed and in spite of my Honourable friend Mr. Som's doubts, they actually ran on the lines. The number would no doubt have been considerably greater but, as Honourable Members are aware, these few years were marked by a falling off in our passenger traffic. We could not embark on a capital programme to make new carriages for passengers who were fast disappearing. The matter, however, has been further reconsidered. It became obvious that one standard type of coach would not suit the needs of all railways, and as a result of this reconsideration the new standard type which was inspected by members of the Central Advisory Committee was evolved and it has been set before all railway administrations as a model to which they should conform as far as practicable in view of their particular requirements on their own particular railways. I trust that this explanation will resolve the doubts of Mr. Som who appeared to think that our present programme of construction was going to remove all the improvements which were exhibited to the Central Advisory Committee.

As regards amenities other than passenger accommodation, I may mention that last year we provided additional waiting rooms or halls at a hundred stations including 18 for ladies only. These were mostly for lower class passengers. A few days ago I mentioned the improvements that have been made at Hardwar. At Howrah we have also made important alterations for the sake of the third class passenger to give him more easy access to the station from the new bridge. I cannot in the time left me give anything like an exhaustive list of the improvements we have carried out; but if Honourable Members will do us the credit of reading some of our publications, in particular Chapter VII of the Report of the Railway Board, they will find a very considerable list of the improvements which have been carried out for the benefit of passengers. And in passing I might refer to Mr. Joshi's complaint that he was unable to find in that report any

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detailed description of the number of improvements or of their cost. I admit that he will not find them there, but I refer him to the explanatory memorandum to the Railway Budget of the Government of India in each year where there is a statement showing the types of amenities and improvements that it is proposed to carry out and the amount of money that is going to be spent on each. In connection with amenities, reference has been made to the air-conditioning experiment. I would like to point out that there is all the difference in the world between a third-class coach and an air-conditioned first-class coach. I would like the House to recognise that there is this difference. There is no suggestion in our minds that air-conditioned coaches should be supplied free of cost to the passenger. The extra expense,—if our experiment is successful,—of converting or constructing an air-conditioned coach will be met by the extra sum that will be realised from the passengers using it. There is no question of giving anything away for nothing.

Mr. Sri Prakasa: Why not try it in the third class also?

The Honourable Sir Thomas Stewart: I am perfectly prepared to consider whether the air-conditioning of third class coaches would prove to be a commercial proposition.

Mr. Sri Prakasa: Hot winds should be common for the first and third class.

The Honourable Sir Thomas Stewart: Mr. Buss in referring to the appointment of Colonel Wagstaff as Labour Officer in Calcutta expressed his doubts whether Colonel Wagstaff would be in any way different from the ordinary labour officer that we know of on railways and in private concerns. There is this great difference to which I made reference in my speech, namely, that Colonel Wagstaff will not be under the Railway Board. He will be a representative of the Labour Department of the Government of India and in that way he will have a status which will be independent both of labour and of the Railway Board.

Sir, there are many subjects left, but I feel that in the short time that I have left to me I can hardly embark on a series of small, isolated and miscellaneous remarks. But before I sit down, I would express my thanks to those who have given us a word of congratulation and of cheer. I know there are others who do not feel that they can offer their congratulations. I cannot complain of that; but I would like to point out one thing to them. If in the days of success they are not prepared to give us credit, if they say that it is all due to luck, I would ask them to be logical and when our bad times come, to attribute our failures to the same cause. I know only too well that in present world conditions chance is perhaps the most important factor in deciding between success and failure; but I do feel, Sir, that a wise and cautious policy, such as I believe ours to be, is the one which is best calculated to lessen our losses in adversity and, in happier times, to consolidate our gains.

The Assembly then adjourned till Eleven of the Clock on Friday, the 18th February, 1938.