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THE LEGISLATIVE ASSEMBLY DEBATES

(Official Report)

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(8th August to 25th August, 1938)

EIGHTH SESSION OF THE FIFTH LEGISLATIVE ASSEMBLY, 1938



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Legislative Assembly.

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

CONTENTS.

VOLUME IV.—8th August to 25th August, 1938.

| | PAGES. | | PAGES. |
|---|----------------|---|-------------|
| MONDAY, 8TH AUGUST, 1938— | | TUESDAY, 9TH AUGUST, 1938— | |
| Members Sworn | 1—2 | Starred Questions and Answers | 145—91 |
| Starred Questions and Answers | 2—40 | Unstarred Questions and Answers | 191—92 |
| Unstarred Question and Answer | 40—41 | Motions for Adjournment <i>re</i> — | |
| Statements laid on the Table | 42—109 | Condition of Indian Labour in Malaya—Ruled out of Order | 193 |
| Motion for Adjournment <i>re</i> appointment of a Non-Indian as Superintendent of Insurance—Negatived | 109—14, 123—44 | Recommendations of the Wedgwood Committee—Held over | 194—96 |
| Governor General's assent to Bills | 114 | Publication of the Report of the Tariff Board on Sugar Industry—Ruled out of order | 196—98 |
| Statements laid on the Table <i>re</i> — | | Increase in the Indian Defence Charges—Adopted | 198, 224—46 |
| Net Earnings of certain newly constructed Railway lines | 114—19 | The Control of Coastal Traffic of India Bill—Recommitted to Select Committee | 198—207 |
| Notification prohibiting the emigration of Unskilled Labourers from the Madras Presidency to Malaya | 120 | The Code of Criminal Procedure (Amendment) Bill (Amendment of section 167)—Referred to Select Committee | 207—24 |
| The Motor Vehicles Bill—Presentation of the Report of the Select Committee | 120 | WEDNESDAY, 10TH AUGUST, 1938— | |
| The Criminal Law Amendment Bill—Introduced | 120 | Starred Questions and Answers | 247—93 |
| The Indian Cotton Cess (Amendment) Bill—Introduced | 120—21 | Unstarred Question and Answer | 293 |
| The Indian Emigration (Amendment) Bill—Introduced | 121 | Statements laid on the Table | 293—96 |
| The Indian Aircraft (Amendment) Bill Introduced | 121 | Motions for Adjournment <i>re</i> — | |
| The Indian Oaths (Amendment) Bill—Appointment of Mr. N. A. Faruqi to the Select Committee | 121 | Recommendations of the Wedgwood Committee—Not moved | 297 |
| The Prevention of Cruelty to Animals (Amendment) Bill—Referred to Select Committee | 122 | Arrest of a British Subject by the Dewan of Tehri State—Disallowed | 297—99 |
| | | Resolution <i>re</i> appointment of an Enquiry Committee for the Broadcasting Department—Negatived | 300—42 |

PAGES.

FRIDAY, 12TH AUGUST, 1938—

| | |
|--|---------|
| Starred Questions and Answers | 343—81 |
| Unstarred Question and Answer | 381 |
| Short Notice Questions and Answers | 382—86 |
| Motions for Adjournment <i>re</i> — Situation in Waziristan— Consent withheld by Governor General | 386 |
| Sir Philip Chetwode's reflections on Indian Officers in the Indian Army—Disallowed by the Governor General | 386 |
| Government's refusal to answer certain questions— Disallowed | 386—89 |
| Motion <i>re</i> Report by the Honourable Sir John Thom on the cause of the Railway Accident near Bihta—Adopted as amended | 389—427 |
| Demand for Supplementary Grant in respect of Railways | 427—34 |

MONDAY, 15TH AUGUST, 1938—

| | |
|--|---------|
| Member Sworn | 435 |
| Starred Questions and Answers | 435—78 |
| Unstarred Question and Answer | 478 |
| Statements laid on the Table | 478—82 |
| Election of two Members to the Central Advisory Board of Education in India | 482 |
| The Commercial Documents Evidence Bill—Appointment of certain Members to the Select Committee | 482 |
| The Indian Tea Cess (Amendment) Bill—Introduced | 483 |
| The Employment of Children Bill—Introduced | 483 |
| The Employers' Liability Bill—Introduced | 483 |
| The Criminal Law Amendment Bill—Discussion on the motions to consider and to circulate not concluded | 483—528 |

PAGES.

TUESDAY, 16TH AUGUST, 1938—

| | |
|--|---------|
| Starred Questions and Answers | 529—65 |
| Unstarred Question and Answer | 565—66 |
| Statement laid on the Table | 566—67 |
| The Criminal Law Amendment Bill—Discussion on the motions to consider and to circulate not concluded | 567—611 |

WEDNESDAY, 17TH AUGUST, 1938 —

| | |
|--|--------|
| Starred Questions and Answers | 613—50 |
| Unstarred Questions and Answers | 650—52 |
| Panel on Chairmen | 652 |
| Committee of petitions | 652 |
| The Criminal Law Amendment Bill—Discussion on the motions to consider and to circulate not concluded | 652—98 |

MONDAY, 22ND AUGUST, 1938—

| | |
|--|---------|
| Members Sworn | 699 |
| Starred Questions and Answers | 699—738 |
| Short Notice Questions and Answers | 738—43 |
| Statements laid on the Table | 743—45 |
| Motions for Adjournment <i>re</i> — Government of India's refusal to amend certain Pension rules—Disallowed | 745 |
| Breaches on the East Indian Railway Lines in the District of Murshidabad in Bengal—Ruled out of order | 745—46 |
| Election of two Muslim Members to the Standing Committee on Pilgrimage to the Hedjaz | 746 |
| The Criminal Law Amendment Bill—Discussion on the motions to consider and to circulate not concluded | 746—89 |

| | PAGES. | | PAGES. |
|--|---------|--|----------|
| TUESDAY, 23RD AUGUST 1938— | | WEDNESDAY, 24TH AUGUST, 1938 | |
| Starred Questions and Answers | 791—838 | — <i>contd.</i> | |
| Short Notice Questions and Answers | 838—40 | Statement by the Honourable the Finance Member <i>re</i> the deletion of a reply to a supplementary question | 924 |
| Unstarred Question and Answer | 840 | The Criminal Law Amendment Bill—Passed as amended . | 924—55 |
| Election of Members to the Central Advisory Board of Education | 840 | The Motor Vehicles Bill—Discussion on the motions to consider and to circulate not concluded . . . | 956—69 |
| The Criminal Law Amendment Bill—Discussion on the motion to pass not concluded | 841—78 | THURSDAY, 25TH AUGUST, 1938— | |
| WEDNESDAY, 24TH AUGUST, 1938— | | Starred Questions and Answers | 971—1011 |
| Starred Questions and Answers | 879—922 | Unstarred Question and Answer | 1011—12 |
| Short Notice Question and Answer | 922—24 | The Motor Vehicles Bill—Discussion on the motions to consider and to circulate not concluded | 1012—51 |

LEGISLATIVE ASSEMBLY.

Thursday, 25th August, 1938.

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

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

FALL IN THE CUSTOMS REVENUE.

464. *Mr. T. S. Avinashilingam Chettiar : Will the Honourable the Finance Member state :

(a) whether there has been a considerable fall in the customs revenue from the beginning of this financial year ; and

(b) the reasons for this fall ?

The Honourable Sir James Grigg : (a) and (b). I invite the attention of the Honourable Member to my reply to starred question No. 109, asked by Sardar Mangal Singh on the 10th August, 1938.

Mr. T. S. Avinashilingam Chettiar : May I know the latest figures in this matter, Sir ?

The Honourable Sir James Grigg : There are no figures later than the last published ones.

Mr. S. Satyamurti : May I know whether Government are analysing these figures and finding out whether the fall is due to the growth of industries in this country, or it is due to want of demand in this country for imported articles ?

The Honourable Sir James Grigg : I should say for a variety of reasons, but the main reason is that whenever there is a fall in the value of Indian exports, the value of Indian imports falls after a certain lag.

Mr. S. Satyamurti : May I know, Sir, whether, apart from the reaction of imports and exports to which my friend referred, this fall is particularly noticeable in the customs tariffs which are imposed for revenue purposes as in the schedule, or in those for protective purposes ?

The Honourable Sir James Grigg : I cannot answer that off hand.

Mr. T. S. Avinashilingam Chettiar : May I know if Government have gone into the reasons for the fall besides the one he has mentioned ?

The Honourable Sir James Grigg : I have replied to that in the answer I referred to.

Mr. T. S. Avinashilingam Chettiar : If I remember aright, I do not think any reasons were given on that day ?

The Honourable Sir James Grigg : The reasons were given, at any rate one compelling reason.

Mr. S. Satyamurti : In the interest of the future policy of this country, will Government examine the future course of this fall and its incidence in respect of two types of customs duties you are levying, one for revenue and one for tariff purposes ?

The Honourable Sir James Grigg : If the Honourable Member means the effect on revenue of the tariff policy which has been pursued for the last 15 years. That, I think, is a question to which the attention of the Economic Adviser might very well be directed.

Mr. T. S. Avinashilingam Chettiar : Has his attention been drawn to this matter ?

The Honourable Sir James Grigg : Yes, Sir.

Mr. S. Satyamurti : Does the Honourable Member propose to invite the attention of the Economic Adviser also to the effect of the exchange ratio on the imports and exports ?

The Honourable Sir James Grigg : I think the Economic Adviser will take into account all relevant factors.

Mr. S. Satyamurti : Is this a relevant factor ?

The Honourable Sir James Grigg : It is a matter of opinion.

Mr. S. Satyamurti : What is the Honourable Member's opinion ?

The Honourable Sir James Grigg : I do not feel called upon to give it.

Mr. T. S. Avinashilingam Chettiar : Will Government place a copy of the Report of the Economic Adviser on the table of the House ?

The Honourable Sir James Grigg : I have no doubt that will be considered.

Pandit Lakshmi Kanta Maitra : Have Government considered whether the fall is due to a certain amount of trade being diverted to the maritime States of India ?

The Honourable Sir James Grigg : Not to any important extent. There has no doubt been a certain amount of inroads into British Indian revenues owing to the diversion of trade to maritime States.

INDIA'S BALANCE OF TRADE AND EXCHANGE RATIO.

465. ***Mr. T. S. Avinashilingam Chettiar :** Will the Honourable the Finance Member state :

- (a) whether the balance of trade has been going against India in the last few months ;

- (b) whether Government have taken any action to prevent the balance of trade going against India ;
- (c) if so, what are those actions ;
- (d) whether they have received representations from anybody suggesting change of the exchange of ratio as a possible remedy ; and
- (e) whether Government have considered the suggestion and come to a decision, and on what grounds ?

The Honourable Sir James Grigg : (a) No ; the balance of the visible trade of India (even apart from Burma) has been in favour of India.

(b), (c), (d) and (e). Do not arise.

Mr. T. S. Avinashilingam Chettiar : May I know if Government are stating it in a comparative sense or in an absolute sense ?

The Honourable Sir James Grigg : The Honourable Member asked me whether the balance of trade was going against India during the last few months, and I said no.

Mr. T. S. Avinashilingam Chettiar : May I know, Sir, whether Government have taken into consideration in giving their answer the Home charges of a few crores of rupees every year which we have to remit ?

The Honourable Sir James Grigg : I am sure, the Honourable Member regards it as necessary that India should pay her debts.

Pandit Lakshmi Kanta Maitra : Is the balance of trade going in favour of India ?

The Honourable Sir James Grigg : Yes, Sir ; as far as I have got the preliminary figures for July 1938, the balance of merchandise in favour of India is 3 crores 68 lakhs, which was better than the corresponding month of last year, and the balance of visible trade is 6 crores 60 lakhs.

Mr. T. S. Avinashilingam Chettiar : Has the Honourable Member given the figures for the four months ending July or only for the month of July ?

The Honourable Sir James Grigg : Yes, for the four months there is a favourable visible balance of trade, and even for the first three months there is a favourable balance.

Mr. T. S. Avinashilingam Chettiar : May I know whether the balance of trade is sufficient to pay the debts ?

Mr. S. Satyamurti : The balance of trade was very much more in our favour some years ago.

The Honourable Sir James Grigg : When ?

Mr. S. Satyamurti : Not very long ago.

The Honourable Sir James Grigg : It was last year too.

Mr. S. Satyamurti : I say that not very long ago, five or six years ago, the balance of trade was in our favour, it was much greater. Will the Honourable Member examine the possibility of reviving that balance and also see why that balance of trade in our favour is much less than it used to be not very long ago ?

The Honourable Sir James Grigg : I can give a very shrewd guess for that. The first and the compelling reason is, of course, the growth of autarchy in the world at large.

Mr. T. S. Avinashilingam Chettiar : What steps are Government taking to improve the balance of trade ?

The Honourable Sir James Grigg : I have already answered that.

Mr. T. S. Avinashilingam Chettiar : What other steps have they taken ?

The Honourable Sir James Grigg : That is too big a question.

APPOINTMENT OF INDIAN CIVIL SERVICE OFFICERS AS GOVERNORS OF PROVINCES.

466. ***Seth Govind Das :** Will the Honourable the Home Member please state :

- (a) whether Government are aware of the strong public opinion in the country against the appointment of Indian Civil Service officers as Governors of Provinces ;
- (b) whether Government had any correspondence with His Majesty's Government in the matter ; if so, whether he will kindly lay a copy of the relevant correspondence on the table ; and
- (c) whether he will make a statement regarding the attitude of Government in this matter ?

The Honourable Mr. R. M. Maxwell : The question does not concern the Governor General in Council as Governors are appointed by His Majesty under section 48 (1) of the Government of India Act, 1935.

Seth Govind Das : Was any recommendation made in this respect by the Governor General to His Majesty's Government ?

The Honourable Mr. R. M. Maxwell : I am not aware of anything done by the Governor General.

MECHANISATION OF THE ARMY IN INDIA.

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

- (a) whether Government have decided on the question of the mechanisation of the Army in India ;
- (b) whether Government intend engaging a central co-ordinating authority, viz., a Director of Mechanisation ; and
- (c) the stage at which the matter stands now ?

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

(b) No.

(c) Part of the Army in India is already mechanised and other units are in process of mechanisation.

Mr. T. S. Avinashilingam Chettiar : May I know whether the Government have finished their consideration of mechanising the Indian units of the British army in India ?

Mr. C. M. G. Ogilvie : Government have decided upon a policy of mechanisation, yes.

Seth Govind Das : How long will it take to mechanise the whole establishment ?

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

Mr. T. S. Avinashilingam Chettiar : How many units is it proposed to mechanise ?

Mr. C. M. G. Ogilvie : I could not tell you that.

Mr. Lalchand Navalrai : How many units are actually being mechanised ?

Mr. C. M. G. Ogilvie : Actually in process of mechanisation, six.

Mr. N. V. Gadgil : May I know, Sir, how many people have been thrown out of employment as a result of mechanisation ?

Mr. C. M. G. Ogilvie : I would refer my friend to the answer I gave on the 22nd instant.

Pandit Lakshmi Kanta Maitra : How many more units do Government propose to mechanise ?

Mr. C. M. G. Ogilvie : I could not tell you that.

Mr. Abdul Qaiyum : How long will it take to see this process of mechanisation through ?

Mr. C. M. G. Ogilvie : It is quite impossible to say that at present.

Mr. Badri Dutt Pande : What is the cost of mechanising one unit ?

Mr. C. M. G. Ogilvie : It depends on the unit.

Mr. T. S. Avinashilingam Chettiar : The Honourable Member said he could not tell us, but he never said that there is any public interest involved in the matter. Is there any public interest in it ?

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

Seth Govind Das : What is the public interest ?

(No reply.)

Mr. S. Satyamurti : How many of these six units that are being mechanised are Indian ?

Mr. C. M. G. Ogilvie : Two.

SCHEME OF IMPERIAL REORGANISATION OF THE BRITISH ARMY.

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

- (a) the result of the Inter-departmental Conference at London between the India and the War Office on the scheme of Imperial reorganisation of the British Army ;
- (b) whether the British War Office have been suggesting the payment of extra costs involved in the reorganisation scheme so far as India is concerned ; and
- (c) Government's replies thereto and the net results of the propositions ?

Mr. C. M. G. Ogilvie : (a)—(c). I refer the Honourable Member to my replies to starred questions Nos. 95, 113 and 131 asked on the 10th instant on the same subject and to supplementary questions arising therefrom.

Mr. Manu Subedar : May I inquire whether the Government will now take the party leaders into their confidence and tell them what these talks or negotiations are about on behalf of India ?

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

Mr. S. Satyamurti : May I know, Sir, whether, after the return of these two gentlemen,—I forget their unpronounceable names,—who attended this inter-departmental conference, Government have been given any information, and, if so, what that information is ?

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

Mr. S. Satyamurti : May I know what that information is ?

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

Mr. S. Satyamurti : May I know why Government will not give us the information on a matter of first class importance, and on which this House passed an adjournment motion ? I want to know the results of the conversations in England, the representatives were sent there at our cost for a conference with the War Office representatives.

Mr. C. M. G. Ogilvie : The results have not yet been reached.

Mr. T. S. Avinashilingam Chettiar : In view of the fact that those representatives have returned to India, may I know if the Government are in a position to say when the matter is going to be decided ?

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

Mr. S. Satyamurti : Has the attention of Government been drawn to the statement of one of these gentlemen published in the press, that, as a result of these discussions, India will get some relief from the British exchequer ?

Mr. C. M. G. Ogilvie : The attention of Government has been drawn to the statement. The Chief of the General Staff, who is the officer concerned, did not make it.

Mr. S. Satyamurti : Has it been contradicted by the Chief of the General Staff or by the Government ?

Mr. C. M. G. Ogilvie : It has now been contradicted by Government.

Mr. Manu Subedar : May I enquire what are the reasons why such a terrible amount of secrecy is maintained by Government with regard to defence matters even from the Leaders of Parties in this House ?

Mr. C. M. G. Ogilvie : Public interest.

Mr. S. Satyamurti : May I know whether the contradiction means that India cannot expect any relief from the British exchequer in respect of these talks ?

Mr. C. M. G. Ogilvie : No. By no means.

SUCCESSOR OF SIR SHADI LAL IN THE JUDICIAL COMMITTEE OF THE PRIVY COUNCIL.

469. ***Seth Govind Das :** Will the Honourable the Home Member be pleased to state :

- (a) whether Government were informed of the intention of the Right Honourable Sir Shadi Lal, P.C., to resign or retire from the Judicial Committee of the Privy Council ;
- (b) whether Government, or His Excellency the Viceroy, has been asked by the Lord Chancellor of England to recommend names for a prospective successor to Sir Shadi Lal ;
- (c) whether Government or His Excellency has suggested names ; and
- (d) if not, whether they propose suggesting names of persons to succeed Sir Shadi Lal and, if so, the names to be suggested ?

The Honourable Mr. R. M. Maxwell : (a) No.

(b) to (d). The appointment of Judges of Indian experience as Members of the Judicial Committee of the Privy Council is made by His Majesty under sub-section (1) of section 1 of the Appellate Jurisdiction Act, 1929. The Governor General in Council is not concerned.

Seth Govind Das : Was any recommendation made by the Governor General in this regard ?

The Honourable Mr. R. M. Maxwell : I have no knowledge whatever of that.

Mr. K. Santhanam : May I know when officers of the Government of India are being selected for posts outside the jurisdiction of the Government of India, if the opinion of the Government of India is taken whether they can be relieved or not ?

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

Mr. S. Satyamurti : May I know whether the Government of India are consulted if one of their own number is going to be appointed a Member of the Judicial Committee of the Privy Council ?

The Honourable Mr. R. M. Maxwell : I have said that the Government of India are not consulted.

Mr. S. Satyamurti : Not even then ?

(No answer).

WATER-TAX CHARGED IN THE JUTOGH AND DAGSHAI CANTONMENTS.

470. ***Mr. Badri Dutt Pande :** (a) With reference to his answer to question No. 444 on the 23rd February, 1938, will the Defence Secretary be pleased to state why the cost of water produced by the Military Engineering Service in Jutogh and Dagshai is more than the neighbouring municipality of Simla ?

(b) Is it not a fact that the water supply of Jutogh and Dagshai cantonment areas is maintained by the Military Engineering Service primarily for the military, and the civilians are only given excess water ?

(c) Is it not a fact that the civilians residing in Jutogh and Dagshai cantonments are much poorer than residents of Simla, and cannot afford to pay higher rates of water tax ?

Mr. C. M. G. Ogilvie : (a) The reason is that the installations at Dagshai and Jutogh are very small compared with that at Simla, overhead and maintenance charges are consequently heavier. The Simla Municipality is also presumably able to make up the loss on water from other sources.

(b) No. The water supply at both Jutogh and Dagshai cantonments is maintained for both military and civilian residents.

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

Mr. Badri Dutt Pande : Is it the intention of Government to revise these water rates which are very high ?

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

Mr. Badri Dutt Pande : Have they received any representation on the subject ?

Mr. C. M. G. Ogilvie : Not that I know of.

HOLDING OF ELECTIONS IN CERTAIN CANTONMENTS.

471. ***Mr. Badri Dutt Pande :** (a) In view of the answer to starred question No. 285, dated the 15th February, 1938, will the Defence Secretary be pleased to state whether elections have been held in the cantonments of Abbottabad, Ambala, Kohat, Nowshera, Loralai, Murree Gallees, Risalpur, Delhi, Ahmedabad, St. Thomas Mount and Poona Cantonments ? If so, when ?

(b) If elections have been held, have Boards been constituted and started functioning ? If not, why not ?

(c) If the answer to part (a) be in the negative, when are the elections likely to be held ?

(d) Is it a fact that in Poona Cantonment the whole scheme of elections formulated by Bombay Government has been changed by General Officer Commanding-in-Chief, Northern Command, because the power of holding elections was taken away from the Provincial Government ?

Mr. C. M. G. Ogilvie : (a) and (b). Elections have been held in the following cantonments and boards have been constituted and have started functioning :

- (1) Abbottabad.
- (2) Nowshera.
- (3) Ahmedabad.
- (4) Delhi.
- (5) Risalpur.
- (6) Kohat.

Four candidates were returned unopposed in Ambala. Their names will be notified in the gazette very shortly.

(c) The attention of the Honourable Member is invited to the reply given on the 22nd August, 1938, to starred question No. 362 asked by Mr. Mohan Lal Saxena.

(d) The General Officer Commanding-in-Chief, Southern Command, suggested that the Poona Cantonment should be divided into seven wards instead of one ward not because the power of holding elections was taken away from the Provincial Government but because he considered the change necessary in the general interest of the electorates.

Pandit Lakshmi Kanta Maitra : May I know whether that was the only change effected, or were any other changes effected by the General Officer Commanding ?

Mr. C. M. G. Ogilvie : No other change so far as I know.

Mr. Badri Dutt Pande : Was the change made with the consent of the Defence Department ?

Mr. C. M. G. Ogilvie : The change is being considered now by the Defence Department. It is a suggestion by the General Officer Commanding-in-Chief, Southern Command.

INCREASE IN HOUSE TAX IN THE RAWALPINDI CANTONMENT.

472. ***Mr. Badri Dutt Pande :** (a) Will the Defence Secretary be pleased to state whether it is a fact that the Deputy Director of Cantonments in the Northern Command called upon the Rawalpindi Cantonment Board to increase the rate of house tax prevailing in that Cantonment ?

(b) Is it a fact that no house tax is levied in the neighbouring municipal committee of Rawalpindi, and that it was lately increased in that Cantonment from $2\frac{1}{2}$ per cent. to $7\frac{1}{2}$ per cent. ?

(c) Is it a fact that the proposal to increase the house tax was opposed in the Board by the elected members, but was carried by the official majority ?

(d) Is it a fact that the new tax is not payable by military officers and that they will make a saving as the house scavenging tax has been abolished, although services are rendered to bungalows ?

(e) Is it a fact that the public of Rawalpindi submitted objections to the proposal of the official majority of Board to increase the tax ? If so, with what results ?

(f) Is it a fact that the income of land, hitherto credited to Cantonment Fund, Rawalpindi, is now credited to Central Government ? If so, how much ?

(g) Is it not a fact that if this income is restored to the Cantonment Fund, the budget of the Cantonment Board will balance ?

Mr. C. M. G. Ogilvie : (a) No. He informed the Board that as it had been noted that the levy of house scavenging tax was illegal, they should abolish it, and if necessary increase the house tax to make good the loss.

(b) The answer to the first part of the question is in the affirmative.

The house tax in the cantonment was increased from $2\frac{1}{2}$ per cent. to $7\frac{1}{2}$ per cent. in 1894.

(c), (d) and (e). Do not arise.

(f) Income from land outside bazar areas which has not been entrusted to the management of the board is credited to Central Revenues. This amounts to Rs. 4,563 per annum. On the other hand income from land under the management of the board amounting to Rs. 934 per annum which was formerly credited to the Central Revenues is now credited to the cantonment fund.

(g) Does not arise, as the budget already balances.

Mr. T. S. Avinashilingam Chettiar : What is the answer to clause (d) ?

Mr. C. M. G. Ogilvie : "Does not arise."

Mr. T. S. Avinashilingam Chettiar : How does it not arise ? The question is if the new tax is not paid by the military officers, and you have to say "Yes" or "No".

Mr. C. M. G. Ogilvie : I do not know what the Honourable Member means. The tax is not a new one, unless he considers a tax 44 years old a new one.

Mr. T. S. Avinashilingam Chettiar : May I know if that tax was old, whether it has been paid by military officers ?

Mr. C. M. G. Ogilvie : It is not a new tax. A tax which has existed for 44 years is paid by every one.

Mr. T. S. Avinashilingam Chettiar : That house tax—is it paid by the military officers ?

Mr. C. M. G. Ogilvie : Yes, the tax is paid by everybody.

Mr. Badri Dutt Pande : Since when is the income from cantonment lands being credited to the Central Revenues ?

Mr. C. M. G. Ogilvie : I cannot give the exact date.

INCREASE IN HOUSE TAX IN THE AMRITSAR CANTONMENT.

473. ***Mr. Badri Dutt Pande :** (a) Will the Defence Secretary be pleased to state whether it is a fact that the house tax at Amritsar Cantonment is proposed to be increased from five per cent. to 12 per cent. at the instance of the Deputy Director of Cantonments in the Command ?

(b) Is it a fact that land income, hitherto credited to Cantonment Fund, Amritsar, has been taken away by Central Government ? If so, how much ?

(c) Is it a fact that the public of Amritsar Cantonment submitted objections on the increase of house tax and suggested economies in expenditure ? If so, with what results ?

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

(b) Yes. Rs. 900 a year.

(c) Yes. No specific economies have been suggested. The objections are under consideration.

Mr. Badri Dutt Pande : Is it a fact that in Lahore the house tax comes to 9 per cent., in Sialkot 5 per cent., and how is it that it has been raised to 12 per cent. in the Amritsar Cantonment ?

Mr. C. M. G. Ogilvie : I cannot see that Lahore or Sialkot arise from this question at all.

Mr. Lalchand Navalrai : May I know why there is a big jump from 5 per cent. to 12 per cent. at once ?

Mr. C. M. G. Ogilvie : I imagine in order to make the budget balance.

Mr. Badri Dutt Pande : Is there any other cantonment where the house tax comes to 12 per cent., or is it only in the Amritsar Cantonment ?

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

EMPLOYMENT OF WOMEN IN THE GOVERNMENT OF INDIA DEPARTMENTS.

474. ***Mr. T. S. Avinashilingam Chettiar** (on behalf of Shrimati K. Radha Bai Subbarayan) : Will the Honourable the Home Member be pleased to state :

(a) which departments under the Government of India are open to women ;

(b) whether there are already any women serving in those departments ;

(c) if the answer to part (b) be in the affirmative, the number in the different grades ;

(i) Indian ; and

(ii) European ;

(d) whether women are employed on the same terms as men, and whether any discrimination is made between Indian and European women in service ; and

(e) the departments to which women are not admitted and the reasons for their non-admission ?

The Honourable Mr. R. M. Maxwell : The information has been called for and will be supplied in due course.

Mr. S. Satyamurti : With reference to the answer to clause (a) of the question,—with regard to figures I can understand the answer, but surely whether the departments of the Government of India are open to women is a matter which should be in the knowledge of the Government of India ; that is a question of practice or law. May I know whether any departments of the Government of India are open to women or not ?

The Honourable Mr. R. M. Maxwell : I have said that the information will be called for. The Home Department is not in administrative charge of all the departments of the Government of India and would like to verify its information.

Mr. S. Satyamurti : Is the Home Department open to women ?

The Honourable Mr. R. M. Maxwell : There has not been any woman in the Home Department so far.

Mr. T. S. Avinashilingam Chettiar : May I know whether there is any bar to women being entertained in these Departments ?

The Honourable Mr. R. M. Maxwell : I should require further notice of that question.

Seth Govind Das : In the Home Department, is there any bar imposed against women being employed ?

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

Mr. M. Ananthasayanam Ayyangar : Are Government aware that under the Constitution Act of 1935 women are eligible for civil services, and not eligible for military services alone ?

The Honourable Mr. R. M. Maxwell : The Honourable Member has himself quoted the relevant section, and, therefore, he is aware of the fact.

Mr. N. M. Joshi : May I ask whether the Government of India have made any rules under the new Government of India Act excluding women from certain departments ?

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

BOARD TO ADVISE THE GOVERNOR GENERAL WITH REGARD TO THE RECRUITMENT OF THE HIGHER STAFF TO THE SECRETARIAT.

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

- (a) whether on the recommendations of the Wheeler and Maxwell Committees on the reorganisation of the Central Secretariat, action has been taken to form a Board of three members to advise the Governor General with regard to the recruitment to the higher staff ;
- (b) who the members of this Board are ; and
- (c) what their definite functions are ?

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

(b) Sir Girja Shankar Bajpai, Mr. Spence, Mr. Thorne and the Secretary of the Department for which an officer is to be selected if he is not already a member of the Board.

(c) Their functions are :

(i) in an advisory capacity only, to make recommendations for the appointment of officers of and above the rank of Under Secretary in certain Departments of the Government of India Secretariat ;

(ii) on the reversion of an Under Secretary or Deputy Secretary from a post in any of these Departments, to determine whether or not a lien should be retained on his services for future re-employment in the Central Secretariat.

Mr. S. Satyamurti : With reference to their function of advising the Government of India with regard to these appointments, is this Board confined in its field of choice to those already in the service of the Government of India, or do they consider all civilians serving in the various provinces also ?

The Honourable Mr. R. M. Maxwell : They consider all civilians in the provinces.

Mr. S. Satyamurti : Is the field of choice limited only to members of the Indian Civil Service ?

The Honourable Mr. R. M. Maxwell : The Board is intended to deal primarily with members of the Indian Civil Service, who form the Secretariat pool, that is the pool of officers available for Central service. They will also deal with officers of the Central services in so far as they are eligible for secretariat appointments in the general pool.

Mr. S. Satyamurti : Is this pool open to members who are serving in the provinces on the same terms as to the members serving in the Government of India ?

The Honourable Mr. R. M. Maxwell : There is no separate pool for the Government of India and the provincial services.

Mr. S. Satyamurti : May I take it that this Board considers the claims of all eligible people, wherever they are serving ?

The Honourable Mr. R. M. Maxwell : Yes.

Mr. S. Satyamurti : Are their recommendations usually accepted or rejected as the appointing authority chooses ?

The Honourable Mr. R. M. Maxwell : The Board has only just started functioning. So, there is no question of its recommendations being usually accepted or not.

Mr. M. Ananthasayanam Ayyangar : Have any special tests been prescribed for the applicants, before they are appointed ?

The Honourable Mr. R. M. Maxwell : No formal test.

Mr. T. S. Avinashilingam Chettiar : With reference to clause (a), may I know whether the Government have begun putting into practice the recommendations of the Maxwell Committee ?

The Honourable Mr. R. M. Maxwell : That does not arise. This question relates only to the Board.

Mr. S. Satyamurti : Does this Board send for these applicants with a view to interviewing them, or does it look into their records of service, or does it merely act in a vacuum ?

The Honourable Mr. R. M. Maxwell : The Board receives the list of possible names from the Establishment Officer and then it scrutinises the records of the officers concerned and makes its recommendation in an advisory capacity only.

Mr. S. Satyamurti : Does it ever interview these officers ?

The Honourable Mr. R. M. Maxwell : The Board has the records of the Officers, and an interview is not important at that stage.

Mr. S. Satyamurti : I want to know whether the Board interviews these gentlemen selected.

The Honourable Mr. R. M. Maxwell : A certain proportion of candidates are interviewed by the Establishment Officer. That is one of his duties while he goes on tour.

Mr. S. Satyamurti : The Board does not do it ?

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

TAKING OVER OF THE ADMINISTRATION OF THE SALT DEPARTMENT FROM THE BENGAL GOVERNMENT.

476. ***Mr. S. Satyamurti :** Will the Honourable the Finance Member please state whether the Government of India contemplate taking over the administration of the Salt Department from the Bengal Government ? If so, when ?

Mr. A. H. Lloyd : The question is under consideration.

Mr. S. Satyamurti : May I know whether the statement in the newspapers some time ago that the Government have decided to take over the Salt Department in Bengal is premature or not quite correct ?

Mr. A. H. Lloyd : I don't know the authority for that statement.

Mr. S. Satyamurti : May I know whether the Government of India are taking over the Salt Department from the point of view of economy ?

Mr. A. H. Lloyd : That is one of the considerations. We also consider it desirable, in the interests of general efficiency of control, to take over our own departments where that can be done without inconvenience or unnecessary expense.

Mr. S. Satyamurti : Is Bengal the only province in which the Salt Department has not been taken over by the Government ? May I know when they propose to complete the consideration of this subject ?

Mr. A. H. Lloyd : With regard to the first part of the question, Bengal is not the only province. With regard to the second point, that, I think, is a matter upon which I can make no definite prediction.

Mr. S. Satyamurti : What are the other provinces where the Salt Department is still administered by the Provincial Governments ?

Mr. A. H. Lloyd : Sind, part of Orissa and Bengal.

Pandit Lakshmi Kanta Maitra : Is it a fact that the Government of Bengal represented to the Honourable Member's department to retain the administration of salt in their own hands ?

Mr. A. H. Lloyd : I am not prepared to disclose what communications have passed between the Bengal Government and the Government of India on this subject.

Pandit Lakshmi Kanta Maitra : I am asking merely a question of fact. I do not want the Honourable Member to disclose the subject matter.

Mr. T. S. Avinashilingam Chettiar : May I know whether this is part of a general policy of the Government to take all their departments in their own hands ?

Mr. A. H. Lloyd : Certainly.

Mr. M. Ananthasayanam Ayyangar : Is it not a fact that during the last session, legislation was passed entrusting the management of this department to the province of Sind ?

Mr. A. H. Lloyd : I think the Honourable Member is referring to an Act by which we amended the Bombay Salt Act and various other Acts in order to get over a technical difficulty regarding our entrusting to the Sind Government certain functions in the matter of the administration of salt. That did not commit the Government of India in any way as to how long they will go on using the Local Government's agency.

CUSTOMS CORDON ROUND PONDICHERRY AND KARIKAL IN SOUTH INDIA.

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

- (a) the results of the tightening of the customs cordon round Pondicherry and Karikal in South India ;
- (b) whether any consultations or negotiations are going on between the British customs and the French customs officials in regard to this arrangement ; and
- (c) whether Government have come to any conclusions on this matter ?

The Honourable Sir James Grigg : (a) Smuggling across the Pondicherry and Karikal frontiers has been greatly reduced and a considerable volume of trade has been restored to its normal channels.

(b) No.

(c) Does not arise.

Mr. S. Satyamurti : Apart from the vigorous use of police and customs officials to detect these offenders, may I know whether Government have considered or will consider some negotiations with the French Customs Officials so as to minimise this attempt at smuggling, in view of the present advantages for smugglers ?

The Honourable Sir James Grigg : Well, Sir, I do not think in any case that the present is an opportune time because I understand that those people in Pondicherry and Karikal who are interested in this illicit traffic are giving a pretty uncomfortable time to the French authorities.

Mr. S. Satyamurti : Apart from that, may I know whether the Finance Member will apply his mind to the question of minimising the temptations for smugglers by coming to some arrangement with the French Government ?

The Honourable Sir James Grigg : Two years ago, some arrangements were made with the French Government in regard to the packet post but I am not sure whether at the present moment it will be opportune to enter into any administrative negotiations with the French Government.

Mr. S. Satyamurti : May I know whether His Majesty's Government would negotiate with the French Government to see if some arrangement could be made by which this perpetual menace in regard to customs revenue and its attendant evils could be abolished or reduced ?

The Honourable Sir James Grigg : Did not the Honourable Member ask the other day whether we would try and induce the French to give up Pondicherry ?

Mr. S. Satyamurti : I am not so ambitious as all that ! My simple question is whether some methods could not be devised by which the temptations in the way of these smugglers could be reduced, if not extinguished.

The Honourable Sir James Grigg : The first supplementary answer I gave was that something of that sort has been mooted but the people who are interested in the illicit trade are making things pretty uncomfortable for the French officials.

Mr. T. S. Avinashilingam Chettiar : Have the Government any figures to show that the illicit traffic is reduced ?

The Honourable Sir James Grigg : The Honourable Member might study the figures given by the Pondicherry Chamber of Commerce showing the imports by sea into Pondicherry of the kinds of goods on which high duty is chargeable on entering British India. I can give him figures for two items. Piece-goods. The imports in 1936 were 6,686 cases, in 1937 they were 1,795 cases. Sugar in 1936 was 18 thousand odd bags, in 1937 it was 6,000 odd bags. I can give him other instances.

Mr. M. Ananthasayanam Ayyangar : May I know whether the attempts at prohibiting smuggling have resulted in a number of unnecessary and vexatious prosecutions ?

The Honourable Sir James Grigg : I don't think so.

Mr. Mann Subedar : May I know whether Government have considered the proposal to buy out the customs rights for a lump sum and then put their own customs officials at the place ?

The Honourable Sir James Grigg : I do not think any such proposal has been made and as customs rights are an integral part of sovereignty, I think it is extremely unlikely that anything of the sort suggested can be done.

MEMORANDUM PRESENTED TO THE RESERVE BANK BY THE SOUTH INDIAN CHAMBER OF COMMERCE.

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

- (a) whether his attention has been drawn to the memorandum presented to the Governor and Deputy Governor of the Reserve Bank by the South Indian Chamber of Commerce on the 20th July last ;
- (b) whether the Reserve Bank propose to issue any statement as regards their policy in respect of the future of the banking system in this country ;
- (c) whether the Reserve Bank propose to give some relief to the commercial and other interests, when a scheduled bank is in liquidation, by making to the liquidator some advances against sound assets of the Bank to meet the demands of the creditors at least partially ;
- (d) whether the Reserve Bank propose to act under section 17 of the Act ; -
- (e) whether Government have any idea of amending section 42 of the Act ;
- (f) whether the Reserve Bank intend opening more local branches in important centres ; and
- (g) whether Government have considered, or are prepared to consider, legislation in order to ensure that the banks incorporated in Indian States or foreign settlements in India are allowed to open branches in British Indian Provinces only under certain necessary safeguards ?

The Honourable Sir James Grigg : (a) I refer the Honourable Member to the replies which I gave to supplementary questions asked on Mr. Mann Subedar's question No. 253, replied to on the 16th instant.

(b) to (e). I refer the Honourable Member to the replies which I gave on the 22nd instant to certain short notice questions.

(f) This is a matter for the Reserve Bank to decide.

(g) The attention of the Honourable Member is directed to Part X read with Part X-A of the amended Indian Companies Act.

Mr. S. Satyamurti : With reference to the answer to clause (g) of my question, may I ask whether Government have now any proposals, in view of recent developments in South India, to impose any restrictions on banks incorporated in Indian States operating in British India ?

The Honourable Sir James Grigg : I think that will be found to be satisfactorily dealt with in those parts of the Indian Companies Act which have been mentioned, when they come into operation.

Mr. S. Satyamurti : May I know how Government have satisfied themselves that during the recent banking crisis the Reserve Bank did use their powers adequately and on proper lines and in conformity with the Reserve Bank Act. Is that based on a mere statement of the Reserve Bank, or have Government made an independent inquiry and satisfied themselves in respect of this matter ?

The Honourable Sir James Grigg : If the Honourable Member will refer to my answer to a short notice question, he will see that Government are in continuous touch with the Reserve Bank through their own official Director on the Central Board.

Mr. S. Satyamurti : That refers only to their legal powers being adequate. I am asking, with regard to this specific banking crisis, how Government have satisfied themselves that during that crisis all these demands were adequately met ?

The Honourable Sir James Grigg : By the fact that the run or the scare in Madras as a result of the unfortunate mishap to the Travancore National and Quilon Bank was very rapidly stopped,—and I think I may quote the evidence of the Chief Minister of Madras :

“ The reported activities of some mischievous persons render it necessary for me to issue this statement emphasising the fact that the scheduled banks in Madras are in a perfectly sound position. Even those banks that took help from the Reserve Bank during the recent crisis have cleared off all those accounts.

Further the local Reserve Bank has the sanction to give accommodation to these banks, should such accommodation be ever found necessary: I am in close touch with the manager of the local Reserve Bank branch and issue this statement as a result of the conversations I had with him.

An idle or mischievous talk should not be given heed to or be repeated.”

Mr. S. Satyamurti : There is another statement to which we were referred, viz., that :

“ Government do not consider that it would be desirable to seek or give any further information as to the types of bills discounted or the advances made to scheduled banks beyond the totals which are published in the weekly statement of the Reserve Bank.”

With reference to clause 17 of the Reserve Bank Act, which elaborately provides for the types of bills which ought to be rediscounted, may I ask why Government do not propose to give some information or indication of the types of bills discounted under the provisions of this Act ?

The Honourable Sir James Grigg : The character of the information to be given in weekly statements of the Reserve Bank was very carefully considered at the time the Act was passed. My recollection is that there was a good deal of feeling that even the information already given was excessive.

Mr. S. Satyamurti : My Honourable friend said in the course of that statement that “ the ability of the Reserve Bank to keep in touch with scheduled banks clearly depends largely on the scheduled banks themselves, as the Reserve Bank cannot compel them to disclose their

affairs to it". May I know if any scheduled banks have refused or been allowed to refuse all relevant information to the Reserve Bank in order to enable the Reserve Bank to keep in touch with the affairs of all scheduled banks ?

The Honourable Sir James Grigg : I cannot answer that off-hand, but I have no doubt that if the Reserve Bank asked for information from the scheduled banks beyond that which they are statutorily compelled to disclose, they would get in some cases a pretty violent refusal.

Mr. S. Satyamurti : Considering the fact that the powers of the Reserve Bank over the scheduled banks are pretty limited and in view of the recent crisis, do Government propose to consider amending the Reserve Bank Act with a view to giving them slightly more powers or conferring upon them slightly more responsibilities ?

The Honourable Sir James Grigg : I think that is covered by the long answer which I gave previously.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member need not repeat it.

The Honourable Sir James Grigg : I will only read the last few lines of the answer :

" This is the first occasion in the history of the Reserve Bank in which assistance has been required on account of a run, and though, so far, it considers its legal powers adequate, it is examining them in the light of their recent practical application and will invite the comments of the scheduled banks. If, thereafter, the Bank considers any further powers desirable, they will no doubt report to Government."

Mr. S. Satyamurti : Apart from what the Reserve Bank may report, Government also are responsible in the ultimate resort for a sound banking system. Have Government addressed their mind to this question ?

The Honourable Sir James Grigg : As the Reserve Bank has been set up as the expert authority on this subject, I think it would be an act of supererogation on the part of Government to do it in advance,—in other words, Government will preserve in this matter the very good maxim of not keeping dogs and barking themselves.

Mr. M. Ananthasayanam Ayyangar : May I know if one other bank in India has suspended payment ?

The Honourable Sir James Grigg : I have seen an account to that effect.

Mr. M. Ananthasayanam Ayyangar : Have the Reserve Bank of India rendered any help to that bank ?

The Honourable Sir James Grigg : I have no information on that.

PROBLEM OF THE DEFENCE OF COCHIN.

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

- (a) whether the problem of the defence of Cochin is now engaging the active attention of the Government of India ;
- (b) whether the Government of India have come to the conclusion that Cochin affords ample facilities for a naval base and a military aerodrome ;

- (c) whether Government propose to take any steps in this direction ;
- (d) whether they will consult the Legislature before taking any steps ; and
- (e) if not, why not ?

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

(d) No.

(e) The responsibility in this matter pertains to the Executive Government.

Mr. S. Satyamurti : May I have some more elucidation of the answer to clause (d) of my question,—may I know whether they will consult the Legislature before taking any steps—they refuse to answer questions (a), (b), and (c), that they will decide what they consider right without consulting the Legislature ?

Mr. C. M. G. Ogilvie : I am not at all clear as the precise bearing of the Honourable Member's question, but no Government—no Government, not only this Government but no Government—would ever think of consulting the Legislature on a matter of this kind.

Mr. T. S. Avinashilingam Chettiar : With regard to the net additional expenditure proposed, do Government propose to incur the liability for the expenditure without consulting the House on that expenditure ?

Mr. C. M. G. Ogilvie : I am not prepared to answer any questions on hypothetical expenditure.

Mr. Manu Subedar : May I inquire—when the Honourable Member says that it is not in the public interest to give this information or any other information about defence—which is the public that he means—the public in India or the public in the United Kingdom ?

(No answer.)

Mr. T. S. Avinashilingam Chettiar : May I know why Government consider that in this matter of defence of Cochin it is not in the public interest to answer questions, or why they consider that this matter of defence expenditure is hypothetical ?

Mr. C. M. G. Ogilvie : I cannot give the Honourable Member any further reply than I have already given.

Mr. S. Satyamurti : Have Government any proposals for making Cochin a naval base and a military aerodrome ?

Mr. C. M. G. Ogilvie : I would again refer the Honourable Member to my answer to parts (a), (b) and (c) of his question.

SALE OF ICE IN THE BAZAR AREA OF THE LAHORE CANTONMENT.

480. ***Mr. Sham Lal :** (a) Will the Defence Secretary be pleased to state whether it is a fact that the Bazar Committee of Lahore Cantonment Board decided to allow more factories than one to sell their ice in the Bazar area by item No. 137 of the Bazar Committee meeting held on the 14th June, 1938 ?

(b) Is it a fact that this decision was only confined to sellers in Bazar area ?

(c) Is it a fact that the elected Chairman of the Bazar Committee allowed the motion ?

(d) Is it a fact that the official President of the Board ruled the motion as out of order, which meant the cancellation of the decision of the Statutory Bazar Committee ? If so, why ?

Mr. C. M. G. Ogilvie : (a), (b) and (c). Yes.

(d) Yes, because matters affecting the health of the inhabitants of the cantonment as a whole are definitely outside the competence of the Bazar Committee.

Mr. Mohan Lal Saksena : Is it not a fact that when the Bill was passed by the House, the Defence Secretary had given an assurance that the Bazar Committees would be autonomous in these matters ?

Mr. C. M. G. Ogilvie : No, certainly not.

CANCELLATION OF COMMISSIONS IN THE ARMY IN INDIA RESERVE OF OFFICERS.

481. ***Mr. Sham Lal :** (a) Will the Defence Secretary be pleased to state if it is a fact that some commissions in the Army in India Reserve of Officers were cancelled in January 1938 ?

(b) On what grounds were these commissions cancelled ?

(c) Was any enquiry made before cancelling these commissions ?

(d) Were the officers, whose commissions were cancelled, given any opportunity to explain their conduct ?

Mr. C. M. G. Ogilvie : (a) Yes. The appointments of three Indian gentlemen as 2nd-Lieutenants on probation in the Army in India Reserve of Officers were cancelled during the month of January, 1938.

(b) The reasons for cancellation were as follows :

One gentleman reported that he had been accepted as a candidate for the post of Extra-Assistant Commissioner and as the Local Government were unable to spare him in the event of general mobilisation, his appointment was cancelled from the 8th of January, 1938.

Two others, after completion of the period of training, were reported on by the local military authorities as unsuitable for retention in the Reserve. The reports were accepted in both cases and the appointments of the gentlemen were cancelled with effect from the 15th of January, 1938, under the provisions of paragraph 16 of the Provisional Regulations for the Indian wing of the Army in India Reserve of Officers.

(c) No.

(d) No.

Mr. Sham Lal : What were the grounds of unsuitability ?

Mr. C. M. G. Ogilvie : They were not regarded after the period of training as suitable to make officers in the army.

Maulvi Abdur Rasheed Chaudhury : On what grounds ?

Mr. C. M. G. Ogilvie : Merely they were not suitable.

Mr. Lalchand Navalrai : May I ask if all these three persons were Indians ?

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

DELAY IN HOLDING ELECTIONS IN THE AMBALA CANTONMENT AND SETTING UP OF CANTONMENT BOARDS.

482. ***Mr. Sham Lal :** (a) Will the Defence Secretary please state if it is a fact that elections in Ambala Cantonment were held about a year and a half after passing of the new Cantonment Act, while according to the Act, the Corporation Soles were to be substituted immediately by elected Boards and, if so, will Government please explain the cause of such a long delay ?

(b) Is it a fact that four members have been duly elected to the Cantonment Board, Ambala, according to Rule 11 of the Punjab Cantonment Electoral Rules ? If so, will Government please explain why the Board there has not been formed as yet, although more than three months have elapsed since the declaration of the election results ?

(c) What steps have Government taken or intend to take for the formation of the Board at an early stage ?

(d) Will Government please state if there are other Cantonments, besides Ambala, where elected Boards have not been so far set up, and if there are what are the causes of this long delay and what steps Government are taking to expedite the matter ?

Mr. C. M. G. Ogilvie : (a) As prior to 1st April, 1938, elections in cantonments was the concern of the Provincial Governments, the Government of India are not aware of the cause of delay in holding elections in the Ambala Cantonment.

(b) Yes. The Board has not yet been formed as the Punjab Government have only recently forwarded the case regarding elections in the Ambala Cantonment. After consideration of the points raised thereon, the Central Government have decided to notify the elections of the four members in question as soon as the names of the nominated members, which are being called for, have been received from the Officer Commanding, Ambala.

(c) Does not arise.

(d) Yes. In this connection the attention of the Honourable Member is invited to the reply given on the 22nd August, 1938, to starred question No. 362, asked by Mr. Mohan Lal Saxena.

LEGISLATION ENFORCING UNIFORM TAXATION ON TESTAMENTARY AND INTESTATE SUCCESSION, ETC.

483. ***Sri K. B. Jinaraja Hegde :** (a) Will the Honourable the Finance Member be pleased to state whether the Government of India have under contemplation a legislation in order to enforce uniform

taxation as to duties on testamentary and intestate succession and survivorship in all communities without distinction of religion, personal laws and customs ?

(b) If so, when will such legislation be introduced ?

Mr. A. H. Lloyd : (a) The question of introducing Central legislation for the levy of duties in respect of succession to property, other than agricultural land, is under consideration and the specific point referred to by the Honourable Member will receive attention.

(b) No decision has been reached.

Mr. M. Ananthasayanam Ayyangar : May I ask if any of the Provincial Governments recommended to the Government of India to introduce such legislation ?

Mr. A. H. Lloyd : We have had no formal request from any Provincial Government in the matter.

Mr. M. Ananthasayanam Ayyangar : When did the Government of India consult the Provincial Governments in this matter ?

The Honourable Sir James Grigg : There was a considerable discussion on this subject in general terms at the first Conference of Finance Ministers which took place in Delhi last January.

Mr. M. Ananthasayanam Ayyangar : Are not the succession duties due to the several Local Governments ?

The Honourable Sir James Grigg : They are due to be imposed and collected by the Central Government and the proceeds are to be handed over to the Provincial Governments in accordance with some Central Act regulating the manner of distribution.

Mr. T. S. Avinashilingam Chettiar : Do the Government of India expect to introduce legislation over this matter soon ?

The Honourable Sir James Grigg : One of the considerations which will enter into the question of introducing legislation will be the degree of agreement among the Provincial Governments as to the particular details of the legislation.

Sri K. B. Jinaraja Hegde : Is it not a fact that the poor Christian community is very hard hit under the present laws ?

Mr. A. H. Lloyd : The Government of India are aware that the existing probate duties under the Court Fees Act fall more heavily upon certain communities, including the Christian community, than upon those communities where succession does not involve the taking out of letters of administration.

Mr. M. Ananthasayanam Ayyangar : What is the approximate estimate of the income that may be derived from all the provinces ?

Mr. A. H. Lloyd : That will depend very largely upon the rates.

MARRIAGES OF CONVICTS IN THE ANDAMANS.

484. ***Mr. Brojendra Narayan Chaudhury** : Will the Honourable the Home Member please state :

- (a) if his attention has been drawn to the article "Convict marriages are common on India's Devil Island", at page 68 of the *Illustrated Weekly of India*, July 24, 1938 ;
- (b) if the figures of 7,000 convicts, nearly 2,000 women convicts, and 1,000 convict marriages within the last five years, given in the article, are fairly correct ;
- (c) whether with reference to the statement that "about 2,000 women" take part in the "Weekly love parades" it is a fact that even women married in India before conviction are also paraded ;
- (d) if the above figure of 1,000 marriages in five years include any case of bigamy which is an offence under Chapter XX of the Indian Penal Code ;
- (e) if Chapter XX (offence against marriage) of the Penal Code is in force in Andamans ;
- (f) the number of maiden convicts at the beginning of the period of the last five years and the number newly received during these five years ;
- (g) how the official "Fixer-up" exactly manages when there are more than one candidate for the same woman ; and
- (h) if there are now and then respectable women convicts who are not hardened criminals but committed crimes on the impulse of the moment, and whether these also are sent to the "Love Parades" ?

The Honourable Mr. R. M. Maxwell : (a) to (h). For a detailed and authoritative answer to these questions I have to refer to the Chief Commissioner, and I will lay the information, when received, on the table of the House.

I am, however, glad of this opportunity to state that the parts of the article to which the Honourable Member has drawn my attention are, to the best of my belief, almost wholly fiction. No female convicts are now transported to Andamans. The member of female convicts there on April the 1st, 1937, was 11, and these I believe to have been locally convicted. It follows that there are no matrimonial parades of the kind mentioned in the article. Male convicts are permitted to import their wives and families, and many do so. In the year 1936-37 44 marriages occurred between convicts and free persons. There are strict rules governing marriages and requiring in particular that they should be permissible under the personal law of the parties : and the Indian Penal Code is in force.

Mr. Brojendra Narayan Chaudhury : May I ask what effective steps the Honourable Member proposes to take to see that no such fictitious articles appear in the press ?

The Honourable Mr. R. M. Maxwell : The Government of India are too jealous of the freedom of the press.

Mr. M. Ananthasayanam Ayyangar : If the convicts in the Andamans are allowed to import their wives, how does it happen that so many marriages are contracted there ? Are they married once again ?

The Honourable Mr. R. M. Maxwell : If they are unmarried men, they marry unmarried women.

Maulana Zafar Ali Khan : I should like to know whether there has been instance in which a female convict, who had a husband in India, was married to a male convict in these Devil Islands ?

The Honourable Mr. R. M. Maxwell : I have said that I was referring to the Chief Commissioner for a detailed answer to the questions.

Mr. T. S. Avinashilingam Chettiar : Apart from the humour, may I ask whether the Government propose to take any steps to warn this paper that it should not publish such a grossly fictitious matter which has no relation to the facts ?

The Honourable Mr. R. M. Maxwell : I am grateful to the Honourable Member who asked the question for giving me an opportunity of contradicting the story as publicly as possible in this House and no better publicity could be desired.

GOVERNORS IN INDIA.

485. ***Maulvi Abdur Rasheed Chaudhury :** (a) Will the Honourable the Home Member please state the total number of Governors, both officiating and permanent, in 1937 and 1938 ?

(b) How many of them are men of the Indian Civil Service ?

(c) How many of them are Indians ?

The Honourable Mr. R. M. Maxwell : The question does not concern the Governor General in Council as Governors are appointed by His Majesty under section 48 (1) of the Government of India Act, 1935.

Mr. M. Ananthasayanam Ayyangar : May I rise to a point of order ? Clause (b) of this question asks for information as to how many of them are men of the Indian Civil Service ? Indian Civil Service is a department of the Government of India which is under their control. If they are promoted, how is it that this information cannot be given. Therefore the answer just now given is not the right one ?

The Honourable Mr. R. M. Maxwell : The Indian Civil Service is not a department of the Government of India. It is a service under the control of the Secretary of State.

Mr. M. Ananthasayanam Ayyangar : If the Government of India have no control when they are appointed, does it mean that they cease to be under the Government of India after they are appointed ?

(No answer.)

Maulvi Abdur Rasheed Chaudhury : My question was how many Indian Civil Service men were Governors of Provinces in 1937 and 1938. Surely this answer could be given.

(No answer.)

Mr. Mohan Lal Saksena : Have the Government of India no control over the transfer of I. C. S. men ?

The Honourable Mr. R. M. Maxwell : They have no control over the appointment of I. C. S. officers as Governors.

Mr. Mohan Lal Saksena : What about their transfers and promotions ?

The Honourable Mr. R. M. Maxwell : I submit that that question does not arise.

Mr. S. Satyamurti : May I ask whether the Government of India are not consulted, from the point of view of the exigencies of service, whether they can spare the services of these I. C. S. officers for appointment as Governors ?

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

Mr. S. Satyamurti : This is a matter of great public importance, Sir, and I submit I should be allowed to put my supplementary question.

Mr. President (The Honourable Sir Abdur Rahim) : But he says it is not the concern of the Governor General in Council.

Mr. S. Satyamurti : I am asking only with regard to the exigencies of service, whether the Government of India are not consulted before the members of the Indian Civil Service are appointed as Governors. Surely the Government of India should be consulted as to whether they can spare the services of any I. C. S. officer for being appointed as Governor. I submit the Honourable Member ought to be able to answer that question.

The Honourable Mr. R. M. Maxwell : The answer is no.

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

486. ***Mr. Sham Lal :** (a) Will the Honourable the Home Member be pleased to state whether the maximum age-limit for the recruitment of Assistants in the ministerial service of the Government has been reduced from 24 years to 22 years ?

(b) Was the last examination for the service held in 1937 to fill vacancies from the 1st October, 1937, to September, 1938, only ?

(c) Will the Honourable Member please state whether it was reasonably expected that there would be an examination in 1938, but there was no such examination ?

(d) Are Government aware that the reduction of age has disappointed a large number of candidates who had been preparing for the examination, but are no longer eligible on account of reduction of age ?

(e) Are Government prepared to consider the propriety of gradual reduction of age, as in the case of clerks' examination, and give a chance to all those who will not attain the age of 24 in July, 1939 ?

The Honourable Mr. R. M. Maxwell : (a) Yes, with effect from the next examination.

(b) Yes.

(c) It was decided, and announced in February, 1938, that the list for the examination held in July, 1937, would remain in force till the 30th September, 1939, as the number of vacancies did not justify the holding of a fresh examination.

(d) and (e). Notice of the change in the maximum age-limit was given in July last : and I think the notice should prove long enough for persons affected to adapt their plans to the change.

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

487. ***Mr. Sham Lal :** (a) Will the Honourable the Home Member be pleased to state whether it is a fact that, along with the reduction of age-limit from 24 to 22 for the recruitment of Assistants in the Imperial Secretariat, it has been laid down that the age should be counted as on the 1st July of the year of the examination ?

(b) What is the particular significance of 1st July ?

(c) Are Government prepared to provide that the age should be reckoned from January of the year of examination, as in the case of the Indian Civil Service examination ?

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

(b) July 1st has been fixed, because this examination is usually held in July or August.

(c) No. January 1st has been fixed for the Indian Civil Service, because the examination is held early in January.

SUPERSESSION OF INDIAN SUPERINTENDENTS BY EUROPEANS FOR PROMOTION AS OFFICE SUPERVISORS IN THE MASTER GENERAL OF ORDNANCE BRANCH.

488. ***Prof. N. G. Ranga :** Will the Defence Secretary please state :

(a) whether it is a fact that three Senior Indian Superintendents (pay Rs. 700 per mensem), were recently superseded by two Junior European Civilian Superintendents who were promoted, in preference to the Indians, as Officer Supervisors (pay Rs. 950—1,150 per mensem) in the Office of the Master General of Ordnance, Army Headquarters ; if so, what the reasons for this supersession are ;

(b) whether it is a fact that one of the superseded Indian Superintendents appealed to the Government of India against his supersession on racial grounds ; if so, with what result ;

(c) whether it is a fact that one of the promoted Europeans is aged only about 40 ; if so, whether it is Government's policy that no vacancy for an Indian to be promoted as Officer Supervisor in that office, should be created for the next 15 years ; and

(d) whether Government have considered the question of transferring the power of making ministerial appointments from the Army authorities to the Public Service Commission, or the Home Department ?

Mr. C. M. G. Ogilvie : (a) Two Indians, one Anglo-Indian and five European Superintendents were recently superseded by two European civilian Superintendents in the office of the Master General of the Ordnance. These appointments are made by selection and those best fitted for them are selected.

(b) An appeal was received from one of the Indian Superintendents, but was not based on grounds of racial discrimination. It was rejected.

(c) The answer to the first part is 'yes'. The answer to the second part of the question is 'no'. During the next four years there are likely to be at least four permanent vacancies among Office Supervisor's appointments in the Master General of Ordnance Branch for which Indians will be eligible.

(d) No.

Prof. N. G. Ranga : Who constitutes this Selection Committee ? Who are the members of this Selection committee ?

Mr. C. M. G. Ogilvie : I want notice.

Prof. N. G. Ranga : Are there any Indians on the Selection Committee ?

Mr. C. M. G. Ogilvie : I do not know ; I want notice.

ABOLITION OF CLERICAL POSTS AND CREATION OF OFFICERS' POSTS IN THE MASTER GENERAL OF ORDNANCE BRANCH.

489. ***Prof. N. G. Ranga :** Will the Defence Secretary please state whether it has been decided by Government to reduce a number of clerical appointments in the Master General of Ordnance Branch, Army Headquarters, in order to partially meet the cost of additional officers' posts recently sanctioned for that office ? If so, will the Defence Secretary kindly state :

- (a) the exact number of the clerical posts to be abolished in that office and their financial effect ;
- (b) whether the incumbents of all the clerical posts abolished or about to be abolished, are Indians and none of them are non-Indians ; and
- (c) the reasons for sanctioning the additional officers' posts, and the financial effect of these newly sanctioned posts ?

Mr. C. M. G. Ogilvie : The reduction of certain clerical posts in the Master General of the Ordnance Branch is in no way connected with the recently sanctioned increase of four officers.

(a), (b) and (c). Do not, therefore, arise.

Mr. M. Ananthasayanam Ayyangar : What is the amount saved by such reduction of clerks ?

Mr. C. M. G. Ogilvie : The sum which will be ultimately saved, after a very long time, is estimated to be Rs. 25,000.

Mr. M. Ananthasayanam Ayyangar : What is the amount spent on these additional officers ?

Mr. C. M. G. Ogilvie : Approximately Rs. 73,000.

Mr. M. Ananthasayanam Ayyangar : Has the negative answer to part (b) got anything to do with the earlier answer that they had created a number of new offices ? I want to know whether all the incumbents of all the clerical posts abolished or about to be abolished are Indians and none of them are non-Indians ?

Mr. C. M. G. Ogilvie : The Honourable Member's question was conditioned by the words 'if so'. So as the answer was no, the whole of the rest of his question does not arise. But I can tell him as he wants to know that one of the clerical posts to be abolished is a European's post.

Prof. N. G. Ranga : How many of these posts are to be abolished ?

Mr. C. M. G. Ogilvie : Nine.

NEW PROPOSALS AS ANNOUNCED BY MR. HORE-BELISHA IN THE HOUSE OF COMMONS.

490. ***Sardar Mangal Singh :** Will the Defence Secretary please state :

- (a) whether the new proposals as announced by Mr. Hore-Belisha in the House of Commons on the 28th July, 1933, would also be applied to the Indian Commissioned Officers, and Viceroy's Commissioned Officers ;
- (b) whether there will be any change in the scheme of the Indian Military Academy at Dehra Dun ;
- (c) whether the number of candidates admitted in the Academy from the Army side would be increased ;
- (d) what the increase in expenditure as a result of these new proposals would be ; and
- (e) whether the whole of this expenditure would be met from the Indian Exchequer ?

Mr. C. M. G. Ogilvie : (a) As regards Indian commissioned officers the matter is under consideration. Viceroy's commissioned officers are not affected.

(b) Not as the result of the proposals in question.

(c) No.

(d) If it is ultimately decided to accelerate the promotion of officers in the Indian Army to correspond with the acceleration now granted to those in the British Service, there will be a slight increase in expenditure, but it is not yet possible to say precisely how much this will be.

(e) Yes.

Mr. M. Ananthasayanam Ayyangar : May we know whether any change would not be effected in pursuance of any direction or scheme laid down by Hore-Belisha and if there is proposed any change in the military academy course or on any other grounds ?

Mr. C. M. G. Ogilvie : That I submit does not arise. There is no change whatever as a result of these proposals. They are not connected with them in any way.

Sardar Mangal Singh : Will there be any change irrespective of the scheme of Hore-Belisha ?

Mr. C. M. G. Ogilvie : There may be. We cannot say that the present scheme of Indian Military Academy is sacrosanct for all time. It may be altered sometime or other but not as a result of these proposals.

Sardar Mangal Singh : Are the Government of India considering this at the present moment ?

Mr. C. M. G. Ogilvie : Very much so.

NEW PROPOSALS AS ANNOUNCED BY MR. HORE-BELISHA IN THE HOUSE OF COMMONS.

491. ***Mr. T. S. Avinashilingam Chettiar :** Will the Defence Secretary state :

- (a) whether he was consulted before Mr. Hore-Belisha made his statement on the increase of pay and prospects of the British troops, which involved large financial commitments on the Indian Exchequer ;
- (b) whether he knew of these decisions of the British War Office before it was publicly announced ; and
- (c) if so, whether any representations on behalf of India were made before the announcement ?

Mr. C. M. G. Ogilvie : (a), (b) and (c). I refer the Honourable Member to my speech of the 9th instant on Mr. S. Satyamurti's adjournment motion on the same subject.

Mr. T. S. Avinashilingam Chettiar : May I point out that these specific questions were never answered in the speech on the adjournment motions ?

Mr. President (The Honourable Sir Abdur Rahim) : I do not know. I cannot decide.

Mr. C. M. G. Ogilvie : They were all perfectly extractable from my speech.

Mr. S. Satyamurti : A specific question has been put in part (a) :

“ whether he was consulted before Mr. Hore-Belisha made his statement on the increase of pay and prospects of the British troops, which involved large financial commitments on the Indian exchequer.”

Mr. C. M. G. Ogilvie : I would refer the Honourable Member to the Hansard. I have forgotten the exact day on which Mr. Hore-Belisha made his announcement. From the Hansard my Honourable friend will clearly see what exactly has happened.

Mr. S. Satyamurti : I have read that Hansard. The only thing that Mr. Hore-Belisha said was that this increase involved the consent of the Indian Government. He did not answer this question whether the Government of India was consulted. This is the only place where we can get that answer. I want to know whether the Government of India were or were not consulted before Mr. Hore-Belisha made his proposal.

Mr. C. M. G. Ogilvie : That matter has already been dealt with several times. I would refer the Honourable Member to my answer to Mr. Abdul Qaiyum's short notice question on the 7th April, 1938, and the answer given by His Excellency the Commander-in-Chief on a similar question on April 4, 1938, in the other House.

Mr. S. Satyamurti : Cannot the Honourable Member say, yes or no instead of saying all these words ? Surely this is not the way of treating the House respectfully.

Mr. President (The Honourable Sir Abdur Rahim) : He says he answered that question when he gave the reply to the short notice question of Mr. Abdul Qaiyum.

Mr. S. Satyamurti : That is not the answer to the question—whether they were consulted or not ?

Mr. President (The Honourable Sir Abdur Rahim) : He says so.

Mr. S. Satyamurti : I deny it. I submit the Government are trying to evade the answer to this question. I submit that a simple question like this, whether the Government of India were consulted or not, should be answered. The Honourable Member cannot walk away by referring to all sorts of answers given previously.

Mr. President (The Honourable Sir Abdur Rahim) : It is not the responsibility of the Chair to see that the Government answer a question in a way that will satisfy the questioner.

Mr. S. Satyamurti : Surely you have the right to see that answers given in the House are intelligent and intelligible. You have the inherent right to conduct the House in a sensible manner.

Mr. President (The Honourable Sir Abdur Rahim) : What does the Honourable Member mean by that ?

Mr. S. Satyamurti : It is not with reference to the Chair. I submit that the answers given by the Honourable Member for Government should be sensible to the Honourable Member on the non-official side who puts the question and to the House.

Mr. Bhulabhai J. Desai : Sir, I wish to make this submission to you, and it is a fair thing which we may expect from the Chair. Ordinarily I quite appreciate that if a question has been answered before it will be a proper and right thing to refer the questioner to that reply. But when the questioner states to you and to the House that the answer to that question does not contain the answer which is now demanded, either that answer must be read out so as to make it certain that his denial is wrong or an answer must be given. That is all that is asked for and certainly that is within your power.

12 Noon.

Mr. President (The Honourable Sir Abdur Rahim) : As a matter of fact, the Honourable the questioner never asked him to read out that answer.

Mr. S. Satyamurti : It is a simple question as to whether they were consulted and the Honourable Member can say yes or no.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member says that he did give an answer. If the Honourable the questioner denies that he can ask that answer to be read out.

Mr. S. Satyamurti : May I ask the Defence Secretary to read out the answer that he referred to ?

Mr. C. M. G. Ogilvie : The answers given by me and by His Excellency the Commander-in-Chief are not with me now but I have here a copy of the speech I made on the 9th in which I said :

“ Mr. Satyamurti in the course of his speech admitted that the Secretary of State for War had realised the difficulties which were occasioned to him and to His Majesty's Government by the fact that a large part of the British army is stationed in India and he further recognised that India's financial resources were such as to be unable to bear large additional strains with equanimity.”

I think it follows from that, and I think it follows also from his speech, which I have not got here, that representations were made.

Mr. S. Satyamurti : Sir, he has read only a portion of the speech which gives no answer.

Mr. President (The Honourable Sir Abdur Rahim) : He said at the end that representations were made.

Mr. S. Satyamurti : That is not my point. My question is whether they were consulted before these increases in the pay and prospects. I want a specific answer to that specific question.

Mr. President (The Honourable Sir Abdur Rahim) : As a matter of fact he said that representations were made,—by the Government of India, I take it,—on the subject.

Mr. S. Satyamurti : They might have made them *suo moto*. The question is whether His Majesty's Government consulted them, and he has not read the answers to which he made reference. That is the whole point.

Mr. President (The Honourable Sir Abdur Rahim) : Then the Honourable Member had better put down another question.

Mr. C. M. G. Ogilvie : I am unable to quote the exact answer given by His Excellency the Commander-in-Chief as I have not got it with me. But I remember that he did expressly say that representations had been made by the Government of India to His Majesty's Government. I do not know what particular meaning the Honourable Member attaches to the word “ consult ” ; but if representations were made and considered before the announcements were actually made, I think he may draw his own conclusions.

Mr. T. S. Avinashilingam Chettiar : May I point out that the question is not about representations being made ? The question is whether they were consulted by Mr. Hore-Belisha.

Mr. President (The Honourable Sir Abdur Rahim) : He said that representations were actually made and he said that an inference may be drawn from that.

Mr. T. S. Avinashilingam Chettiar : That does not mean that they were consulted. Let him say yes or no. What he said does not convey anything.

Mr. President (The Honourable Sir Abdur Rahim) : He is not prepared to go any further.

Mr. T. S. Avinashilingam Chettiar : I am entitled to an answer to clauses (a) and (b).

Mr. President (The Honourable Sir Abdur Rahim) : I have given several rulings to this effect, that, as a matter of fact, the Chair is not the authority to judge whether a certain answer is satisfactory or not.

Mr. Manu Subedar : May I reiterate the request which I made to the Honourable Member to put those representations either before this House or before the Leaders of parties in this House ?

Mr. C. M. G. Ogilvie : I hardly think that arises.

Mr. Manu Subedar : The Honourable Member said that representations were made. I am asking whether Government have considered the question of disclosing those representations either to this House or to the Leaders of parties in this House.

Mr. C. M. G. Ogilvie : That does not arise.

Mr. Manu Subedar : Is the Defence Secretary aware that non-official Members of this House represent the Indian public ?

Mr. President (The Honourable Sir Abdur Rahim) : That is an argument.

(b) WRITTEN ANSWERS.

NON-MAINTENANCE OF A HINDU CREMATION GROUND FOR SADDAR BAZAR LAHORE CANTONMENT.

492. ***Sardar Mangal Singh** : (a) Will the Defence Secretary be pleased to state whether it is a fact that the Lahore Cantonment Board is not maintaining a Hindu cremation ground for the biggest civilian area of the Cantonment, namely, the Saddar Bazar ?

(b) Is it a fact that it is an obligatory duty of the Board to maintain a Hindu cremation ground ?

(c) Is it a fact that some four or five years ago the Board decided to have a cremation ground and applied to Government for grant of necessary land for the purpose ?

(d) At what stage do the negotiations for grant of land for this purpose stand at present, and what steps do Government propose to take in the matter ?

Mr. C. M. G. Ogilvie : (a), (b) and (c). Yes.

(d) Government have recently received from the local authorities a fresh proposal for the grant of a plot of land for use as a Hindu cremation ground, and the matter is under consideration.

INSTRUCTION REGARDING THE LEASES OF CANTONMENT LANDS.

493. ***Sardar Mangal Singh :** (a) Will the Defence Secretary be pleased to state whether any instructions have recently been issued by the Defence Department regarding the leases of Cantonment land granted in the past under the Cantonment Code, 1899, Cantonment Code, 1912, and Cantonment Land Administration Rules, 1924 ?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to place the circular in question on the table of this House ?

(c) Is it also a fact that Government want to increase the rent paid by the house-owners who hold leases under the old Cantonment Codes ? If so, why ?

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

(b) No. The instructions are confidential and intended for the guidance of Army Commanders.

(c) No.

AGRICULTURAL AREA IN THE SAUGAR CANTONMENT.

494. ***Sardar Mangal Singh :** Will the Defence Secretary be pleased to state :

(a) whether in Saugor Cantonment there is an agricultural area measuring about 1,683 acres, which is being auctioned every now and then to the highest bidder ;

(b) whether it is a fact that the tenants and the lessees of this area have been in possession of it for a very long time ;

(c) whether it is also a fact that these lands form part of villages included within the cantonment limits ;

(d) whether it is a fact that a committee of the Cantonment Board, appointed to consider this question, recommended that long leases of these plots must be given to the present holders ;

(e) whether it is also a fact that the Collector of Saugor recommended security tenure for cultivators ;

(f) whether it is a fact that, with every renewal of the lease, Government demand higher and higher rates from these cultivators ; and

(g) what steps Government propose to take to give the cultivators fixity of tenancy and freedom from enhancement of rent for a period of not less than thirty years ?

Mr. C. M. G. Ogilvie : (a), (b), (d), (e) and (g). Prior to the introduction of the Cantonment Land Administration Rules, 1925, agricultural leases in Saugor were leased out for short terms. The system of auction had, in practice, not been rigidly adhered to and in a great many cases lands had been leased to the same lessees.

There are approximately, 1,625 acres of agricultural land in Saugor out of which approximately 1,116 acres, in consequence of the procedure referred to above, had been held by individual lessees, their heirs or successors, for long periods.

The normal procedure for leasing agricultural lands under the Cantonment Land Administration Rules is by auction, but with a view to obviate hardship to the existing occupier the Government of India on the recommendation of the Cantonment Board and the Collector agreed in 1930, that leases should be granted by private treaty for periods of ten years in respect of unimproved lands and 15 years in respect of improved lands and on expiry the renewal of the lease should be by private treaty. 131 leases have been executed for periods of 10 and 15 years for 1,116 acres of land. The remaining agricultural lands are leased by the ordinary procedure of auction.

(c) Yes. They have been included in the cantonment for more than 50 years and were originally acquired on payment of compensation.

(f) No.

IMPORT DUTY ON RADIO SETS.

495. ***Mr. Manu Subedar :** (a) Will the Honourable the Finance Member please state whether the duty of 50 per cent. on the importation of radio sets is also applicable to parts of radio sets ?

(b) Have Government considered the possibility of radio sets being manufactured in India, by a reduction of duty on the parts and particularly on those parts, such as valves, in the manufacture of which in India at the present moment there are large difficulties ?

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

(b) No, Sir. A suggestion of this kind has reached Government but the case for it has not yet been developed by those advocating it.

PAMPHLETS RELATING TO THE ACTIVITIES OF THE COMMUNIST PARTY IN INDIA.

496. ***Mr. Manu Subedar :** (a) Will the Honourable the Home Member please state whether Government's attention has been drawn to the *communiqué* issued by the Madras Government in the second week of August, with regard to pamphlets relating to the activities of the Communist Party of India advocating "class struggle" and bringing about a "national revolutionary strike" ?

(b) Has the attention of Government been drawn to the fact that amongst other things, these pamphlets advocate indiscipline of the military and armed forces, and that they also advocate the stoppage of communications and of essential services like the supply of water and power ?

(c) Have Government noticed further that, in order to achieve a "national revolutionary strike", the Communist Party of India advocates violence, including the seizure of armouries and police stations?

(d) Have Government considered the desirability of counter-propaganda amongst those sections, who are approached by the communists?

(e) Are Government prepared to give to this House, or, if necessary, to the leaders of the Parties a precise statement of what they are doing to counter such anti-social and subversive activities?

The Honourable Mr. R. M. Maxwell : (a) to (c). I have seen the communiqué in the Press. It contains quotations of the kind mentioned by the Honourable Member.

(d) and (e). The combating of propaganda of this kind conducted in the Governors' Provinces is, since the introduction of provincial autonomy, primarily the concern of Provincial Governments.

As regards Chief Commissioners' Provinces, the Government are certainly alive to the danger, and regard it as their duty to prevent such propaganda in every manner possible.

COMPULSORY RETIREMENT OF GOVERNMENT SERVANTS AT THE AGE OF FIFTY.

497. ***Mr. C. N. Muthuranga Mudaliar :** Will the Honourable the Finance Member please state :

- (a) whether Government have under consideration the question of compulsory retirement of Government servants from service on their attaining 50 years of age, or on their completing 25 years of service and, if so, at what stage the question is ;
- (b) whether it is a fact that, under the existing rules, a non-gazetted officer is permitted to retire voluntarily on full pension on completion of 25 years of active service on production of medical certificate ;
- (c) the reasons why a medical certificate is insisted on ;
- (d) whether Government propose to consider the desirability of permitting voluntary retirement on full pension on completion of 50 years of age, or 25 years of active service without medical certificate, and if not, why not ;
- (e) whether he is aware that the Government of Bengal have issued orders for lowering the age of retirement to 25 years of service ; and
- (f) if so, are Government prepared to consider the desirability of accepting this lead, in so far as their services are concerned ?

The Honourable Sir James Grigg : (a) No such question is under consideration.

(b) Yes.

(c) This class of officer is entitled to a pension after 25 years' service only if he is permanently incapacitated for public service, and the medical examination is for the purpose of testing whether this condition is fulfilled.

(d) No, not at present at any rate.

(e) The Central Government have no information on the subject.

(f) Does not arise.

COMMUTATION OF PENSIONS.

498. ***Mr. C. N. Muthuranga Mudaliar** : Will the Honourable the Finance Member please state if it is a fact that Government have under consideration the question of amending the present practice of commutation of pensions? If so, in which directions and for what reasons?

The Honourable Sir James Grigg : Government have under consideration no proposal for amending the present practice of commutation of pensions.

SUBSTITUTION OF PROVIDENT FUND FOR PENSIONS.

499. ***Mr. C. N. Muthuranga Mudaliar** : (a) Will the Honourable the Finance Member please state if it is a fact that Government have considered the question of substituting a system of Provident Fund for the system of pensions and decided that the change is not practicable? If so, what are the reasons for the decision?

(b) Have Government taken into account, in this connection, the potential huge savings to the State which are expected to accrue from the new scales of pay?

(c) Are Government aware of the widespread public feeling that the change is not effected for political reasons?

The Honourable Sir James Grigg : (a) Yes. The reasons are given in the Summary which was placed on the table on the 25th February, 1933, in reply to unstarred question No. 32, and to which I invited the attention of the Honourable Member on the 7th February, 1936, when replying to a similar question of his.

(b) As will be observed from the Summary mentioned above, it was not on the score of expense alone that Government decided to abandon the scheme for the substitution of a contributory provident fund for pensions.

(c) No.

FINANCIAL EFFECT OF THE RECOMMENDATIONS OF THE MAXWELL COMMITTEE.

500. ***Mr. C. N. Muthuranga Mudaliar** : (a) Will the Honourable the Finance Member please state the total financial effect of the Maxwell Committee recommendations during 1938-39 and what it is expected to be during 1939-40?

(b) Has the acceptance of the Maxwell Committee recommendations involved any savings ? If so, what are they, and how are they expected to occur ?

The Honourable Mr. B. M. Maxwell : The Honourable Member is referred to the reply given to parts (a) to (c) of Mr. Satyamurti's starred question No. 346 on the 22nd August, 1938.

SOLDIERS IN THE INDIAN ARMY.

501. ***Babu Kailash Behari Lal :** (a) Will the Defence Secretary be pleased to state the number of soldiers in the present Indian Army from each of the Provinces of India ?

(b) What is the number of Gurkha soldiers from Nepal ?

(c) What is the number of British soldiers in the Indian Army ?

Mr. C. M. G. Ogilvie : (a) The following number of men recruited from the various provinces in India were serving in the Indian Army on the 1st January, 1938 :

| | | |
|--------------------------------|----|--------|
| North-West Frontier Province | .. | 7,604 |
| Punjab | .. | 83,460 |
| Delhi | .. | 621 |
| United Provinces | .. | 11,969 |
| Rajputana and Central India .. | .. | 6,208 |
| Bihar | .. | 211 |
| Orissa | .. | 4 |
| Assam | .. | 3 |
| Bengal | .. | 10 |
| Central Provinces | .. | 40 |
| Bombay | .. | 4,986 |
| Madras | .. | 4,545 |
| Hyderabad (Deccan) | .. | 309 |
| Sind | .. | 1 |
| Baluchistan | .. | 56 |

(b) 18,601.

(c) The required information is contained in the quarterly "Return showing the actual strength of the Army and Royal Air Force in India", a copy of which is in the Library.

PUBLICITY IN INDIAN LANGUAGES AND FILLING UP OF THE POST OF ASSISTANT INFORMATION OFFICER.

502. ***Mr. Satya Narayan Sinha :** (a) Will the Honourable the Home Member be pleased to state whether it is a fact that none of the Information Officers has any practical experience of vernacular journalism ?

(b) Is it a fact that a fraction of the total expenditure of Information Bureau is spent on Indian language publicity ? If so, why ?

(c) Are Government aware that Provincial Governments are concentrating on the publicity of Indian languages, and do they propose to fill the post of Assistant Information Officer by a person who has a practical knowledge of the principal Indian languages and journalism ? If not, why not ?

The Honourable Mr. R. M. Maxwell : (a) It is a fact that none of the officers has been on the staff of a newspaper published in an Indian language.

(b) It is impossible to estimate the amount spent on publicity in Indian languages alone, because the Bureau supplies information to newspapers in all languages without discrimination.

(c) I have no particular knowledge of the policy followed by Provincial Governments. The post of Assistant Information Officer (which is being recruited through the Federal Public Service Commission) is open only to candidates with two years' experience of journalism. I doubt whether it would be possible to find a person so qualified who has a practical knowledge of all the principal Indian languages.

BUS SERVICE ON THE KEKRI-NASIRABAD ROAD IN AJMER-MERWARA.

503. ***Mr. Satya Narayan Sinha :** (a) Will the Honourable the Home Member be pleased to state whether his attention has been drawn to the leading comment in the *Daily Arjun* of Delhi, dated the 7th July, 1938, in which it is observed—"The Ajmer-Merwara administration has given the monopoly of bus service on the Kekri-Nasirabad road to a contractor, with the result that the contractor is putting the public to much inconvenience" ?

(b) Has it been brought to the notice of Government that the contractor is charging exorbitant rates ?

(c) Have Government received any representation from the public on this point ?

(d) What steps, do Government propose to take to rectify the public grievances ? If none, why not ?

The Honourable Mr. R. M. Maxwell : The question should have been addressed to the Honourable the Communications Member.

HEADGEAR FOR INDIAN SOLDIERS.

504. ***Mr. Satya Narayan Sinha :** (a) Has the attention of the Defence Secretary been drawn to the leading article in the *Hindi Milap* of Lahore, dated the 22nd July, 1938, in which it is said, "That the Defence authorities are seriously considering the question of headgear for the Indian soldiers" ?

(b) Has any decision been reached on this question and, if so, with what results ?

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

(b) I refer the Honourable Member to my reply to part (a) of starred question No. 370 asked on the 22nd August, 1938.

ABOLITION OF THE USE OF THE WORD "VERNACULAR".

505. ***Mr. Satya Narayan Sinha :** (a) Has the attention of the Home Member been drawn to the leading note published in the *Hindustan* of Delhi, dated the 3rd August, 1938, in which it is said "The Central Provinces Government have abolished the use of the word "vernacular" for it does not mean mother tongue of a country. The word vernacular means the language of the slaves" ?

(b) Are Government prepared to abolish the use of this word in centrally administered areas ? If not, why not ?

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

(b) The question is under consideration.

PASSPORT FOR ONE MR. PRABODH CHANDRA.

506. ***Mr. Abdul Qaiyum :** Will the Honourable the Home Member please state :

- (a) whether his attention has been drawn to Mr. Prabodh Chandra's statement in the *Tribune* of Lahore, dated the 17th June, 1938 ;
- (b) whether the said Mr. Prabodh Chandra had been elected as the sole delegate to the World Students Conference at Budapest and World Youth Congress at New York ;
- (c) whether he applied to the Deputy Commissioner, Lahore, on the 26th April, 1938, for a passport ;
- (d) whether he was told to come and inquire for the passport after about three weeks ; and
- (e) whether the desired passport was given to Mr. Prabodh Chandra ; if not, the reasons why he was denied a passport ?

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

(b) I understand that he was elected by the Working Committee of the All-India Students Federation as their sole delegate to the World Students Conference at Budapest, and as one of their delegates to the World Youth Congress at New York.

(c) and (d). I am making enquiries and will lay a reply on the table of the House in due course.

(e) No : because in view of his record there was good reason to believe that his visit to the countries in question would be undesirable.

BOARD TO ADVISE THE GOVERNOR GENERAL WITH REGARD TO THE RECRUITMENT OF THE HIGHER STAFF TO THE SECRETARIAT.

507. ***Mr. T. S. Avinashilingam Chettiar :** (a) Will the Honourable the Home Member state whether a Board of three members has been appointed by the Governor General to advise him with regard to the recruitment of the higher staff to the Secretariat ?

(b) Who are the members of the Board, and what are their functions and powers ?

(c) Will they be given any additional remuneration for this work ?

The Honourable Mr. R. M. Maxwell : (a) and (b). The Honourable Member is referred to the reply given to Mr. Satyamurti's starred question No. 475, this morning.

(c) No.

FAILURE OF BANKS.

507A. ***Sri K. B. Jinaraja Hegde :** (a) Will the Honourable the Finance Member be pleased to state how many banks with above Rs. 50,000 subscribed capital, registered in British India and Indian States, have failed since the year 1914 ?

(b) What are the main causes for such failures ?

(c) What steps have Government taken and contemplate taking to safeguard the interests of the constituents ?

(d) Do Government propose to remedy the defects of the present law as to banking with regard to banks registered in British India and those registered in Indian States and operating in British India ?

The Honourable Sir James Grigg : (a) Information is being collected and will be laid on the table.

(b) I cannot say without examining individual cases but I have no doubt that bad management was a very large factor.

(c) and (d). I refer the Honourable Member to the replies which I gave to question No. 359 asked by Mr. Manu Subedar on the 22nd instant and to certain short notice questions replied by me on the same date.

UNSTARRED QUESTION AND ANSWER.

ALLOTMENT OF QUARTERS TO THE STAFF IN THE ENGINEER-IN-CHIEF'S BRANCH.

14. **Pandit Shambhu Dayal Misra :** (a) Will the Defence Secretary please state if it is a fact that the Engineer-in-Chief's Branch has regularly forwarded, for the last three or four years, applications for Delhi quarters on behalf of certain individuals, in spite of the fact that these individuals did not actually move to Delhi during those years ?

(b) Is it a fact that some of these persons are actually allotted Government quarters and that their quarters are not surrendered till a few days before the move ?

(c) During the last three years, how many persons were allotted quarters but did not eventually move, and on which date was the Estate Officer informed that the individuals in question would not be moving to Delhi ?

(d) Is it a fact that the individual holding the post of Assistant-in-Charge of the Establishment Section has not moved to Delhi for the last four years ?

(e) Is it a fact that, in spite of this, his application for a quarter in Delhi has been forwarded every year ?

(f) Is it a fact that, in most of these years, the quarter has been allotted to him and accepted, but surrendered to Government somewhere near the date of the move ?

(g) Will the Defence Secretary please state whether the procedure adopted by this Branch does not affect adversely the interests of those who actually move down, and what steps he proposes to take to remedy this ?

Mr. C. M. G. Ogilvie : (a) Yes. Such cases have occurred.

Applications for quarters have to be submitted ten months in advance. It is therefore impossible to forecast with complete accuracy which personnel will have to go to Delhi and which will remain behind.

(b) No. All quarters were surrendered in good time.

(c) In 1935-36, seven persons allotted quarters did not move. The Estate Officer was informed of the surrender of those on 8th May 1935 and 13th August 1935.

In 1936-37, there were seven similar cases, intimation for the surrender of which was notified to the Estate Officer on 24th July 1936.

In 1937-38, there were four cases, the surrender of one was notified on the 26th July, 1937, two on the 2nd August, 1937, and one on the 16th August, 1937.

(d) and (e). Yes.

(f) No. Allotment of quarters was not accepted for 1934-35 and 1936-37. In 1937-38 no quarter was allotted to him. Consequently no one was adversely affected.

(g) No.

THE MOTOR VEHICLES BILL.

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

Mr. Nabi Baksh Illahi Baksh Bhutto (Sind : Muhammadan Rural) : Sir, I understood from the Honourable the Railway Member that the present Bill was intended to co-ordinate rail and road services for the development of industry and agriculture. I see no such attempt in this Bill. I draw the attention of the House to the special case of Sind from which I come, and which is very backward in communications. Sind is an important province. If Bombay is the Gateway of India for sea-route

and Peshawar for military raids, then Sind can appropriately be a gateway of India for air services. All air services first greet India at Karachi. This province is now being developed rapidly on account of the Sukkur Barrage in which the Government of India has great financial interest. Unfortunately, the progress is slow on account of silt and defective distribution of water. I apprehend that the Provincial Government may not rise to the occasion and the Government of India should come to their assistance. The working of the barrage is as important, if not more, as its construction. This the Provincial Government does not realise. The Sukkur Barrage can also be used for communication and traffic by canal which should be co-ordinated with the traffic by rail and road. This is a subject in the concurrent list in Schedule VII of the Government of India Act, 1935.

I do hope that the Government of India would see that the canals in which we spent over 30 crores of rupees are being fully utilised for the development of the country. It is not the proper time for me to dilate upon this now, but in the Budget Session I will draw the attention of the House to the negligence, lethargy and inefficiency of the engineers who are responsible for this. In the province of Sind there are some places which are not connected by rail or road traffic. We need very badly the extension of branch lines and also construction of new roads. Unfortunately, one is under the Provincial Government and the other is under the Government of India, and there exists no machinery which brings them together. I draw attention to the development of the area between Larkana-Dodapur and Jacobabad, in which we have at present a small gauge feeder line and it needs further extension and not annihilation. It is not the proper time for me to urge the policy of the Railway Board with regard to the construction of branch lines which has been unfair. They are constructing unremunerative lines in Southern India but this is not the issue today. The point which I emphasise is this, that motor communication is as important as railways and we should encourage both. We find that the Bill will annihilate the road traffic. The conditions imposed in this Bill in Chapters 4, 8 and 9 are so stringent that few persons will come forward to undertake the risk. The roads are entirely under the thumb of the police and the Railways keep the police under their thumbs. The police will prosecute the motor drivers for carrying more persons but I have not heard of any trial of the railway servant for over-crowding the compartments. The motors are required to be insured against care and all other risks including the third party, but no insurance is expected from the railways. The Government charges ten annas per gallon for the fuel of motor, i.e., petrol, but no charge is levied on the fuel of the railway engines, i.e., coal. The road transport is handicapped by (1) excessive customs duty, (2) bad roads which in some cases cannot be called roads, and (3) excessive provincial taxes for the registration. Now, fourthly, there is the excessive and unnecessary burden of insurance, and above all motors pay for all damages and none pays to the motor owners for damages done to them on account of bad roads. In my opinion the whole of the Bill can be simplified into three clauses, viz., Licenses to motor drivers, control of speed, and the registration of cars. All other things are unnecessary and annoying. The duty on the petrol and on the cars should be used for the repairs and maintenance of roads. The interest of railways has been safeguarded and the interests of big motor business

[Mr. Nabi Baksh Illahi Baksh Bhutto.]

have also been safeguarded, but we have overlooked the interests of the small investors, *i.e.*, persons who keep one or two lorries and drive them themselves. These lorries bring passengers and luggage to railways from country places. They are useful and they should not be allowed to disappear.

Dr. R. D. Dalal (Nominated Non-Official) : Mr. President in supporting the motion to take into consideration the Bill to consolidate and amend the law relating to motor vehicles as reported by the Select Committee, I propose, with your permission, to refer to a few salient features and general considerations of the Bill. The Motor Vehicles Bill has on the whole been received very favourably by the public. That it should immediately commend itself to those interests which would be adversely affected was hardly to be expected ; but no solid reasons have been put forward impugning the general fairness of the Bill. The appalling toll of road accidents is an eloquent testimony to the vital need for the enforcement of precautions. No person in charge of a motor car on a public highway should by reason of defects of physique, or of discretion, or of competency be a danger to other users of the public road. The great merit of this Bill is that it has grappled firmly with the task of regulating road motor transport, while at the same time imposing as few vexatious restrictions as possible. The main object of the Bill is to hold the balance even, as far as possible, between the two great competing methods of transport, namely, road and railway. The railways from the very earliest times are subjected to stringent forms of control, and it is manifestly absurd that their road competitors should be allowed to remain a menace to the public safety. With the construction of railways a new era of transport came into being in India in 1853, which revolutionised the economic, social, and educational life of the country ; and road motor transport, which has been in general use in India for the last thirty years, is also destined, by reason of its flexibility, economy, and the facilities it offers, to play in the future an important role in revolutionising the development of the country.

The public have been led to believe that there exists proof unassailable of the cause of road fatalities. But this is not so. Some people assert that the cause of road accidents is speed. Some say it is the motorists' moral turpitude. Some say it is the absence of footpaths and cycle-ways. Some blame the inconsequent acts of pedestrians. Some people say that moving particles in a confined space will collide unless they are all restrained in accordance with some orderly scheme. Some blame the leniency of magistrates ; some say it is defects in the vital parts of the machines. There are also those who ascribe it to goods going by road which they would like to see going by rail. Some ascribe it to the inadequacy of the police force to cope with traffic offences. Lastly, there are full plenty who declare all these causes to be operative together. So it is imperative to find the relative significance of these possible causes by means of a scientific research committee on " road traffic control " with reference to the safety and economic welfare of the country. Sir, control over the soundings of the horn will greatly help to minimise the number of road accidents. There is no doubt that if prohibition upon hooting does result in slower speeds, it will result in fewer accidents ; and it will also

reduce the noise. No one except a lunatic can maintain that it is not dangerous to drive at a rate exceeding that of an express train in a public thoroughfare. The point made in defence of the motorist that speed is no element of danger is that a man may drive dangerously at ten miles an hour. This is too true ; but the same man could be ten times as dangerous if he drove at 100 miles an hour. No pedestrian should forget for a moment that whether the motorist is careful and considerate or not, the man on foot is the under-dog, and must, in all circumstances, think of himself and safety first. Nowadays careful walking has become as obligatory as careful driving. If the pedestrian suddenly changes his mind, or dreams, or acts eccentrically, the driver cannot always pull up in time. This question rests upon certain physiological facts. A motor vehicle travelling at 30 miles an hour moves forward 44 feet in a second. When confronted with an emergency, the eye is the first organ to receive the impression. That impression goes at once to an appropriate centre in the brain. That centre sends out an order to certain groups of muscles, which then act by steering or braking. In every case an appreciable time is required—on an average about a second. It follows that in the average sudden emergency about a second is required before the driver can begin to stop his car, and at 30 miles an hour he requires 44 feet *plus* with the best brakes another 20 feet to stop the car. Sir, as a motorist of some experience, I think a road should be not more than 16 ft. wide or not less than 24 ft. wide. But a road is generally 20 ft. wide. It is a bad width, and is the cause of an appreciable number of road accidents. It is wider than is necessary for two lines of traffic and not safe for three. It tempts the speeding driver to pass slower moving vehicles in face of oncoming traffic with occasionally disastrous results.

Sir, sub-clause (1) of clause 64 of the Bill permits the driver of a heavy goods motor vehicle to drive in a day for two continuous periods of $5\frac{1}{2}$ hours each, provided he has an interval of half an hour for rest and refreshment. I submit that the continuous period is too long, and the interval too short. The control of a cumbrous heavily-laden goods motor vehicle is a great strain on the driver, and $5\frac{1}{2}$ hours of it at a stretch is too much. I believe that a material portion of road accidents is due to the driver being tired, perhaps sleepy, at least not fully alert. The interval of half an hour may suffice for refreshment, but not for rest. I think two continuous periods of four hours each, with one hour's interval, or 48 hours in the week might save many lives.

Sir, the part which alcohol plays in any particular accident may be difficult to assess, but there is no doubt as to the deleterious influence of alcohol as an accessory in these cases. The most important action of alcohol on an average healthy human individual is upon attention. The mental faculty is diminished by alcohol even in relatively small doses. Alcohol in any dose is the reverse of helpful. So, Sir, it is desirable to educate the motor driving public to the danger of taking alcohol before driving, leading as it does to diminished efficiency in dealing with emergencies. I would suggest that a short memorandum on "alcohol before driving" should be given out with each driving license.

Sir, the only remedy for dangerous driving is sharp punishment. Besides imprisonment or fine, and the suspension of the license, I would suggest that it ought to be possible to inflict upon the offender—male or

[Dr. R. D. Dalal.]

female,—a compulsory series of lessons in driving given by an instructor in uniform and in a car so designed and painted that every user of the road would recognise it as one in which a fool was being taught the rudiments of driving. Punishment can do much, but what is required is education. The average intelligence in India is not high enough to be entrusted with so dangerous a lethal weapon as a motor car or a motor bicycle ; and only a rigorous training can bring most people up to the lowest necessary level of alertness, caution, and prompt action. Prevention is better than cure and better than punishment. Better than legislation would be to avoid accidents themselves. The Central and Provincial Governments should initiate a great intensive propaganda on road safety. What is required is increased road sense—more education of drivers, of the general public, and of the youth and children of the community with respect to the elementary rules of the road and the practices governing its safe use. The propaganda requires the enlistment of the press, the school, the cinema, the radio and every other useful means and agency to bring the subject before the public ; and anything that will tend to reduce the appalling number of road accidents due to careless and reckless driving is a step in the right direction.

Sir, the toll of road accidents is steadily rising. Compulsory motor insurance against third party risks is bound to reduce this toll. The certificate of insurance should be carried by the motorist, and produced on application by a police constable ; and until Chapter VIII—compulsory motor insurance against third party risks—comes into force, the motorist should give security that he is able to meet the liability for any personal injury that he may cause to innocent third parties. Then only the necessary license should be issued. Although India has got the smallest number of motor vehicles in the world, so far as accidents are concerned, this country takes a high place as compared with other countries. The incidence of motor accidents in India is far in excess of that in any other country in the world. In India the rate of deaths per motor vehicle is the appalling figure—93 per ten thousand as compared with 59·4 in Italy, 30·6 in Great Britain and 7·4 in New Zealand....

An Honourable Member : What was the number of total deaths ?

Mr. Badri Dutt Pande (Rohilkund and Kumaon Divisions : Non-Muhammadan Rural) : The rate of deaths due to other causes is also very high.

Dr. R. D. Dalal : This calls for drastic and expeditious legislative and administrative action ; and I am strongly of the opinion that Chapter VIII—compulsory motor insurance against third party risks—should come into operation at once, and should not be postponed until the expiry of five years from the commencement of the Act.

Sir, in connection with Chapter VIII—compulsory motor insurance against third party risks,—I would like to bring to the notice of this Honourable House one important point. It is this. However reckless or criminal a motorist might be, his insurance policy covers all his personal loss as well as that of third party. What obtains at present is that the motorist gets repairs to his car—perhaps a new car, and all his expenses paid by his insurance company, with the sole exception of any fine that

might be imposed by the Court. Sir, I submit that motorists would instinctively become more careful if they knew that the law would prevent their recovering on their policy in the event of their conviction for a serious driving offence—man-slaughter, dangerous driving, or driving under the influence of alcohol. Of course there should be no interference at all with third party liability. Sir, in view of the disastrous accidents on the Railways, I would urge the need for inaugurating an insurance scheme for accidents to Railway passengers. There is one point which raises a public issue of very great importance. It is this, that the hospitals should be given a statutory right to recover their expenses incurred in the treatment of motor accident cases. This liability is a great strain on the hospitals whose finances are seriously burdened, and.....

Mr. Badri Dutt Pande : What about Railways ?

Dr. R. D. Dalal : (I have already said about Railways.)..... whose powers of service to the community owing to the occupation of their beds are very much impaired. The most sensible method of meeting this emergency would be to provide for it under compulsory third party insurance, which should be extended to cover payment by the insurer to the hospital for maintenance and treatment.

The proposals in this Bill for the regulation of road motor transport are designed to effect the smallest Government interference with legitimate competition between road and rail. The proposals deal with only such forms of competition as can definitely be called unfair. So, this Bill has laid well and truly the foundation for a proper co-ordination of the road and railway services, and a new era of collaboration between the two former rivals has become possible. Sir, in almost every country in the world with the notable exception of India, Governments have found it necessary to restrict by various means the operation of road passenger services, and to apply similar measures to the road goods services as well. The restrictions imposed are—the deliberate limitation of road facilities, with the object of preventing the loss of traffic to the railways, whether in Government or private hands. In Switzerland and Belgium the road concerns are forced to hand over a part of their earnings to the railways. In Germany a severe licensing system is combined with a strict control of rates and fares. In South Africa, New Zealand, and Australia an attempt has been made to prohibit entirely competition between road and rail. It would appear that India has been one of the last countries to wake up to the necessity of preventing this destructive competition between road and rail. With the experience of so many other countries to guide us, the Government of India have an admirable opportunity of evolving a really scientific policy of correlation between road and rail.

Sir, the chief cause of the alarming decline in railway revenue has been the unfortunate combination of industrial depression of unparalleled severity and the steadily increasing acute competition of roads. The main reason why the railways have found it difficult to meet road competition lies in the fact that the railways are compelled by law to carry all the traffic that is offered them, and in order to do so, they are obliged to maintain a very elaborate and expensive permanent way, whereas their rivals—the road haulers are free to pick and choose the more remunerative kind of traffic and to leave the rest to be carried by the railways as best they can. The result is a very uneconomical form of competition, which, if permitted

[Dr. R. D. Dalal.]

to continue unchecked, must quickly destroy the whole freight rate structure of the railways,—an event which would entail serious consequences to the industries of the country. If the railways are deprived of their more remunerative traffic by the competition of the roads, their only method of covering their expenses will be to charge higher rates on their remaining traffic, which would be especially injurious to the basic industries. Viewed in this light, competition between road and rail is most irrational and destructive. The cheapness of long distance road motor haulage is entirely conditioned by the fact that the railways must continue to carry the bulk of the heavy traffic. Therefore, the road, in spite of the changed conditions brought about by the petrol engine, is essentially auxiliary to the railways. Once it is admitted that the railways are a national necessity and that the more fully they are employed the cheaper their operative costs, it becomes self-evident that to permit traffic to be diverted from the railways at haphazard is a mistaken policy. Moreover, taken as a whole, the railway is the cheapest and quickest way of transporting merchandise over long distances and is the only practicable form of conveyance for heavier types of commodities. The proper function of road transport is local collection and distribution, though the area of its economic operation to which the term “local” can be applied has been enormously enlarged by the invention of the petrol engine. For shorter distances, owing to the convenience of door to door service the road motor vehicle is the cheapest and most convenient form of transport both for passengers and for all except heavier types of merchandise. But for long distances, the railway is in every respect the most preferable form of transport, because the attempt to convey heavy traffic at high speed over the roads, besides being more expensive when the full cost including the cost of life and limb and the expenses entailed by the wear and tear of the roads is taken into account, must in the end defeat itself. Therefore, what is needed is a properly co-ordinated system of transportation, which will afford the cheapest and most convenient facilities for the community as a whole. Sir, the reasons which have led traders to divert their traffic to the road are convenience and cheapness. The goods motor vehicle gives a door to door service. It can be directly controlled as to time, because the goods motor vehicle can start at any hour of the day or night when the load is ready, and need not obey any scheduled time-table like a goods train. Moreover, the price charged on the road is considerably less than the charges made by the railways—a consideration which is the decisive factor. Sir, it is essential that road and rail should be placed on a basis of fiscal equality. That would entail a considerable increase in the scale of motor license duties, and it would also increase very heavily the taxation of the goods motor vehicle, which is responsible for by far the greater part of the wear and tear of the roads. The imposition of heavier taxation on the goods motor vehicle is of necessity a painful process, but the commercial user of the road must pay his share of the cost of constructing and maintaining his permanent way. Private carriers or ancillary motor users should be prohibited from carrying any but their own goods. That would give the public carrier a field free from unfair competition. A certain amount of traffic off the roads should be driven back to the railways. This is eminently desirable in the public interest, and it will leave the way clear for the constructive task of co-operation between road and rail. To eliminate competition altogether and to restore to the railways the monopoly they previously enjoyed would

neither be possible nor desirable ; but legislative action is undoubtedly necessary to protect the whole freight-rate structure of the railways from collapsing. Once such protection has been granted, the railways will be able to press forward towards the desired goal of cheaper and quicker transport both for passengers and goods. Sir nowadays tramways are obsolescent, and because of the unnecessary congestion and danger of which they are the cause, all existing tramways should be gradually abandoned, and no fresh lines should be constructed. To meet the changed conditions, to meet the new conditions the railways should attempt to evolve a new type of co-ordination between road and rail. Experiments should be made with special kinds of vehicles. For example, a rail motor car, which is capable of running along the railway as well as the road. On the freight side also the railways should attempt to meet road competition by organising a very effective system of collection and distribution in their own goods motor vehicles.

Now, Sir, I shall bring my remarks to a close. Sir, in a properly co-ordinated system, road transport will be complementary to, and not competitive with, the railways. Competition should become co-operation. Every effort should be made to work steadily towards that goal ; and if necessary, the railways should buy the interests of motor bus companies. Train and motor bus organisations should thoughtfully interlock their time-tables, and should co-operate in ensuring speedier transit. The traveller should be able to change from road to rail, or from rail to road. The public would thus enjoy the blessings of co-ordination. For example, the Madras and Southern Mahratta Railway would earn fame and admiration by establishing a motor bus service at Belgaum, Hubli, or Shimoga, and by its slogan of " See Gersoppa Falls of world-wide fame ". Today, more than ever before, time is money. So, I would emphasize that it is only by giving faster, cheaper, more punctual, and more attractive service that the railways will be able to hold their own and to maintain their position in the face of road competition.

Dr. P. N. Banerjee (Calcutta Suburbs : Non-Muhammadan Urban) : When during the Delhi Session of the Legislative Assembly the motion was moved by my Honourable friend, Mr. Clow, to refer the Motor Vehicles Bill to a Select Committee, I took the opportunity to point out some of the more serious defects in the Bill. I am happy to be able to say that since then the Select Committee has gone into the matter and has removed many of those defects and has improved the Bill to a very considerable extent. But there still exist several important defects in the Bill, and it should be our duty to remove them during this Session of the Assembly. Our attitude towards this Bill should be one of constructive and helpful criticism and not of opposition or obstruction.

It is admitted on all hands that regulation and control of motor transport is desirable, nay, it is necessary, in view of the large number of accidents which occur in India every year. But there is difference of opinion as to the manner, the measure, and the purpose of this control. Taking the last point first, I find that in the Statement of Objects and Reasons appended to the Bill it is laid down that safety and convenience are to form the purpose of this Bill. As regards the measure of control it should be just as much as is necessary in achieving this purpose, and no more. With regard to the manner in which the control is to be exercised, the Select Com-

[Dr. P. N. Banerjea.]

mittee have now laid down that Provincial Governments should be responsible for carrying out the objects of this Bill. I agree with the view that the Provincial Governments, who are in touch with the people, are in a better position to understand and appreciate the difficulties of the people than the Central Government would be. I am glad that rule-making powers have been given to the Provincial Governments. But I am sorry to find that too much power has been entrusted to Provincial Governments, and it is a pity that in some respects the proposals of the Select Committee are of a reactionary character. The changes made in clauses 26 and 34 of the Bill are instances in point.

But the most reactionary of all the proposals made in the Bill are those which are contained in clause 42. In this clause, several considerations are mentioned which are to guide the regulation and control of motor transport. These considerations are not to be found in the Statement of Objects and Reasons appended to the original Bill. They are, in fact, additional objects and reasons, and as such they are entirely out of place. What are these three considerations? They are, first, the desirability of the development of motor transport, secondly, the desirability of preventing loss from occurring in railway earnings which are a part of the national assets of the country, and, thirdly, the desirability of preventing the deterioration of the road system. However desirable these objects may be, I say that they have no place in this Bill. As regards the third of these considerations, we all know that in every province considerable revenue is derived from the duty on petrol. There are also forms of provincial taxation of motor transport. If the road system in a province tends to deteriorate, the Provincial Governments may take further steps in the matter of taxation of motor transport with a view to preventing such deterioration.

Mr. K. Santhanam : Petrol duty is Central not Provincial.

Dr. P. N. Banerjea : The provinces get shares of the Central petrol duty. They have separate taxation of the motor transport system and this taxation, if necessary, may be carried further.

Sir, as regards the second consideration, I would refer this House to a question which was asked by my Honourable friend, Mr. Brojendra Narayan Chaudhury, a few days ago and to the answer given by the Honourable Mr. Clow. Mr. Chaudhury asked : " Is it a fact that one of the main objects of the motor vehicles legislation now before the Assembly is to prevent the Railways' loss by bus traffic ? " The answer to that was : " I should not accept this as an accurate statement of the position. I would refer the Honourable Member to the Statement of Objects and Reasons appended to the Bill." Now, that is exactly my point. You cannot go beyond the Statement of Objects and Reasons appended to the Bill. The Select Committee has added a number of other objects and reasons and these seem to be out of order. I wish the Chairman of the Select Committee had ruled them out, and I hope the President or Chairman of the meeting will consider this question at a later stage. But so far as I am concerned at the present moment.....

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions : Muhammadan Rural) : Your Leader was the Chairman of the Committee.

Dr. P. N. Banerjea : That does not matter. Whoever might have been the Chairman, I am entitled to say that he did not give a correct ruling or did not consider the matter

Sir, I will refer for the present to the mischievous consequences that are likely to arise from the insertion of this addition to the Statement of Objects and Reasons.

Sir, it has been said, and this was affirmed by the Honourable Mr. Clow the other day, that when the Bill was originally introduced, a great deal of suspicion existed with regard to the objects of the Bill and the insertion of the considerations alluded to by me has confirmed this suspicion. People now say, "It is absolutely clear what the real intentions behind the provisions of the Bill are". The Honourable Mr. Clow is of a different opinion and even yesterday in his speech he said that these are not the intentions behind the provisions of the Bill. If he is in earnest, I hope he will agree to the deletion of the entire clause 42.

Now what are the powers given by this clause to the executive Government ? The executive Government has been given the power to prohibit or restrict the carrying of long-distance goods traffic and secondly, to fix maximum or minimum fares and freights. Now these are dangerous powers which may be used for the purpose of stifling legitimate competition between rail and road. Sir, it may be argued that a large amount of national capital has been invested in the railway system of the country and, therefore, it is necessary to protect this capital. Now, when this is said it becomes evident that the Government is not a disinterested party. But because Government is an interested party, is it right for the State to deal unfairly towards its subjects ? I say it is not. We are trying to establish a democratic form of government in this country, and should we not adopt a policy of justice and fair play in all our relations between the rulers and the ruled ? Sir, to my mind the State has no right to deal unjustly towards its subjects.

Further, is it really impossible to solve this problem without having resort to unfair means ? I do not think so. This road-rail problem has arisen in many other countries, and how has this problem been solved there ? In England several committees were appointed during the last ten years, but is anything like these proposals to be found in any of the reports of these committees, and is any provision to be found in the Act which was passed six or seven years ago by the Government of the United Kingdom ? No. How, then, did they try to solve the problem ? Sir, the Railways did not depend on Government either directly or indirectly for giving them any undue advantage in the matter of rail-road transport, but they introduced various improvements in the machinery and in the working system by which they have been able to compete on fair and equitable terms with road transport. Similarly, in the United States of America, what did the railways do ? They tried to improve the efficiency of the railway system, to reduce fares and freights, and to afford greater facilities both for passenger and goods traffic. Other countries have also followed the lead of these countries, and in no country has it been found necessary for Government to stifle legitimate competition. Sir, the problem is not insoluble in India without resort to unfair means. Let

[Dr. P. N. Banerjea.]

the Railways provide better accommodation for passengers, let them provide better facilities for the conveyance of goods, let them mete out better treatment to their clientele, let them improve their machinery and administration, let them try to prevent accidents which so frequently occur in this country, and let them follow the policy of economy and retrenchment by reducing the salaries of high-paid officials and abolishing unnecessary posts. By these and other means the Railways will be placed in such a position that they will be able to compete on fair terms with road transport.

Sir, it may be said that the power of control has been given to the Provincial Governments which are responsible to the people. My answer to this is two-fold. In the first place, the Provincial Governments as they exist at the present moment are not responsible to the people in the fullest sense of the term.

An Honourable Member : They are, comparatively speaking.

Dr. P. N. Banerjea : They are not responsible in the real sense of the term. Besides, they are not a disinterested party. Under the award of Sir Otto Niemeyer the provinces will get a share of income-tax revenue as soon as the railway revenue improves. Well, if they are not a disinterested party, they cannot deal justly with this question. Sir, I may be told further that in several provinces it is the Congress which rules. Yes, I know that in seven provinces of India there are Congress Governments. I am glad to be able to say that the Congress Ministers in these provinces have put energy and enthusiasm in their work which was not to be found in the provincial administration for many years past. I am also glad to be able to say that, on the whole, these Congress Ministers have done very good work. But even Congress Ministers are not infallible. And who knows how long these Congress Ministers will continue in office ? Circumstances may arise when it will be necessary for the Congress Ministers to vacate their office and give place to other Ministers. We should also remember that there are other provinces which are not in that favourable position. In those provinces it cannot be said that a great improvement has taken place in the administrative system. Therefore, when we speak of the Provincial Governments, we should not think only of the Congress Governments but should take into account also the non-Congress Governments. Sir, I am not one of those who will entrust very large powers to the executive, because the experience of mankind is that, whenever excessive power is entrusted to a Government, there is the likelihood of abuse taking place. We should, therefore, be very reluctant to entrust large powers to the executive in this connection.

A few other points should be considered in this connection, one of which is very important. The restrictions on private carriers seem to be very stringent. Although it is true that some relaxation of these restrictions has been made by the Select Committee, still the restrictions which exist at present are unnecessarily stringent ; and unless these are substantially modified, the trade and industry of the country—and not merely motor transport—will greatly suffer.

I should like to say a word about the constitution of the provincial and general transport authorities. The Select Committee decided, I think rightly, to debar the presence on these bodies of persons having any

financial interests either as owners or as financiers or as employees in these concerns, but, then, the effect of this provision will be to exclude expert advice. I would, therefore, suggest that an Advisory Board consisting of experts and others should be constituted in every province in order that the decisions of the provincial and regional authorities may be properly arrived at.

There is another matter which should engage our attention, and that is the insurance of motor vehicles. In fact, this is one of the most important problems which we have to face in connection with this Bill. Sir, insurance has now come to be regarded as one of the essential features of modern civilization. Now, two categories of insurance have existed in different countries. One is the comprehensive system of insurance and the other is the insurance against third party risks. This latter category of insurance is to be found in several countries, such as, Great Britain, some States of the United States of America, Sweden, New Zealand, the Irish Free State and Zchechoslovakia. Now, are we or are we not to adopt this system of insurance? That is the question. I have already alluded to the accidents which occur every year in India. As a matter of fact, the incidence of accidents in India per motor vehicle is the highest in the world. In view of this fact it is eminently desirable that a system of compulsory insurance should be adopted in this country. But the question is, what will be the burden on the owners of motor cars and motor vehicles and on the passengers? It has been calculated in the Report of the Motor Insurance Committee that the burden is not likely to be very great. I agree with the view that the ultimate burden will not be very great. But there is an initial and immediate burden. The premium has to be paid at the time the policy is effected and we should consider whether at that time the owner or the person in charge of the car or the transport vehicle is in a position to bear this burden. If we take a long view of things, we become convinced that this burden can be borne, and I think that it should be borne. But we cannot forget the fact that the people in India are poor and they are not familiar with the idea of insurance. Therefore, some time will have to be given to the owners, the financiers and others concerned in motor transport to adjust their finances. Then, there is a further reason why there should be some delay in giving effect to this provision. The Motor Vehicle Insurance Committee rightly point out that the payment of monetary compensation will not by itself reduce the number of accidents. Other steps will have to be taken by the Government in order that the number of accidents may be reduced and in order that the scheme of insurance may be made successful. The Committee say: "If this is not done, there is a fear that the scheme of compulsory insurance will break down owing to the high premium that will be necessary to cover the cost." Therefore, Sir, I submit that some time should be given in order that all these steps may be taken. In the original Bill it was suggested that five years constituted sufficient time. I think that is a reasonable period during which all the steps may be taken and financial adjustments may be made. In the Select Committee's Report we find that power has been given to Provincial Governments to decide as to the time of enforcement of this part of the Bill. Looked at from one point of view, this is quite right because the Provincial Governments know the circumstances of the people in their respective areas. But then there is this difficulty. Unless uniformity is secured the scheme of insurance will not be quite successful or effective.

[Dr. P. N. Banerjea.]

Sir, several questions connected with this matter of compulsory insurance are worthy of being considered. The first is the question of State *versus* Company insurance. Opinions, as we know, differ on this question. There are merits and demerits in both the systems. If at the present moment a National State had been in existence in India, I would probably have voted for a system of State insurance, but, unfortunately, that is not the position. I would, therefore, prefer a system of insurance by companies. But I would strongly insist that these insurance companies should be registered in India, their capital should be rupee capital and their Board of Directors should consist at least of a majority of Indians, if they do not consist entirely of Indians.

Sir, there are a few suggestions which I should like to make in regard to the question of insurance.

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.

Dr. P. N. Banerjea : Sir, when the House rose for Lunch, I was urging that a system of compulsory insurance should be effected only with Indian companies and not with foreign companies. Sir, when insurance is optional every person has the right to insure with any company he likes. But when we introduce a system of compulsory insurance we should see to it that the benefit derived from this insurance business should go to the people of the country. In connection with this insurance business I should like to make a few suggestions. My first suggestion is, that the amount of liability incurred in respect of any one accident should be limited to a lower figure than Rs. 20,000. My object in making this suggestion is to lessen to some extent the initial burden on carriers of goods. The second suggestion which I wish to make is with regard to co-operative insurance. I suggest that the amount of deposit which is required of co-operative insurers should be reduced from Rs. 25,000 to Rs. 15,000. Co-operative insurance is a form of insurance which should be encouraged by Government as well as by the people of the country ; and it is in this view that I make this suggestion. I may recall the fact that when last year we debated the Insurance Bill I put forward certain amendments with regard to co-operative insurance, and those amendments were accepted by the House. In order to foster co-operative insurance we should see that the initial deposit which is required should not be very heavy. My third suggestion is, that a machinery should be provided for a prompt settlement of insurance claims. The bulk of the people of India are poor and ignorant, and those persons who will be affected by accidents will find it very difficult to go through the ordinary procedure of the law courts or the insurance companies. Therefore, it is desirable that the State should establish a machinery which will see that the affected parties get compensation without much delay and without any harassment.

Sir, whether this measure which we are going to pass will prove beneficial or otherwise will depend to a very large extent upon the manner in

which the provisions of the Bill are carried out by the Provincial Governments and the authorities working under them. Allow me to express the hope that all bodies and persons entrusted with the task of administering this Act will do their work efficiently and conscientiously. But before we ask others to do their duty we ourselves should do our duty. Let justice and fair-play for all be our motto, and let not any policy of expediency make us deviate from the right path.

Mr. R. M. Chatterjee (Government of India : Nominated Official) : Sir, I shall speak only a few words on the compulsory insurance of motor vehicles. All of you, I believe, have read the report of the Motor Vehicles Insurance Committee on which I had the honour to serve. You had also the opportunity of hearing the Honourable Members when the Bill was sent to the Select Committee. The question of compulsory insurance had been fully discussed in this House. I have only a few remarks to make. The importance and utility of having compulsory insurance in our country cannot be over-emphasized. I shall only make an effort to meet the criticisms that are made against this most salutary provision of this Bill. In my opinion none of these objections is serious and I find no difficulty in meeting them.

There can be little doubt that the existence of compulsory insurance will become rapidly known and genuine claims will arise with much greater frequency. No doubt accidents are inevitable in every sphere of life and the responsibility for providing safeguards against them rests with the individual who suffers from them. Nobody has ever suggested that a person should receive compensation for an accident due to his own carelessness or where there is contributory negligence on his part. Although adjudication by the civil courts is inevitable in a number of cases, it is probable that competition among insurance companies will lead to more satisfactory results from the point of view of an unfortunate victim, if compulsory insurance is introduced. A good company, to preserve its reputation, will not like to drag every matter to court. So far as I know, insurance companies in India do not very much favour compulsory insurance as they fear that claims will increase and awards by civil courts become unduly inflated. If these fears are justified it will apply to all companies but more to those that accept the bad risks and the remedy is to increase premiums all round and reject the bad risks.

The most important point for advocating the cause of compulsory insurance is that it is somewhat appalling to read that the death rate from motor vehicle accidents in India is twice as high as that in any other country. I believe, Sir, you have seen the table printed on page 15 of the Report of the Motor Vehicles Insurance Committee. The chart, in the opinion of the Committee, states in graphic form the most important argument for the introduction of compulsory insurance in India. In my opinion, Sir, this measure far from being premature has long been overdue. I fail to understand why there should be any delay in introducing this very important measure in India. The enormous number of accidents in India seems to constitute a slur upon India herself.

Chapter VIII of the Bill attempts to introduce into our law a system of compulsory insurance against third party risks. It may well be said

[Mr. R. M. Chatterjee.]

that this Chapter does not revolutionise the law of insurance. It will not compel insurers to guarantee in every case payment of compensation to a third party who suffers injury from the use on the road of a vehicle driven or employed by the assured. What the Bill does is to make it an offence to use a vehicle on a road unless there is in existence and effective during such use a policy of third party insurance which fulfils the requirements of clause 95 of the Bill. Clause 96 of the Bill provides that when a third party has got judgment against an assured in respect of such a liability as the Bill requires motorists to cover by insurance the injured third party may claim the amount of his judgment from the insurer who may have avoided or cancelled the policy or may be entitled to do so. Later on the Bill provides that in case of insolvency of the assured his rights against the insurer will be transferred to and vest in the injured third party who will get a preferential claim against the policy money.

I think we should bring Chapter VIII into operation throughout British India as early as possible. In this connection may I, Sir, draw the attention of the House to a very serious defect in sub-clause (3) of clause 1 of the Bill. Here there is an attempt to regulate the relationship between the provincial executive and the provincial legislature by a piece of central legislation. We cannot lay down a constitution for the provinces. I am afraid the constitution does not allow us to do this. But I leave this matter to be fully discussed by the Honourable the Law Member in this House. I will only refer in passing to the various complications that will arise if the majority of the provinces give effect to the provisions relating to compulsory insurance from the very day the Act comes into operation. Considerable hardship will be caused to those provinces which do not accept Chapter VIII because the Act will be autonomically enforced upon most unwilling and unprepared provinces. I would, therefore, ask you, Sir, to consider that position very seriously and for the sake of uniformity I would ask the House to empower the Central Government to fix one date for bringing into operation throughout British India this very important measure.

The next point is that there is at present a failure of the unfortunate victims—some of whom may be the main support of their family—to obtain the compensations which are legally their due, either because the owners of the vehicles causing the accidents are uninsured and without means, or because the victims are ignorant of their rights how to proceed to secure them. The Motor Vehicles Insurance Committee came to the conclusion that compensation is sometimes paid without recourse to legal action in the case of minor accidents by public vehicles, though it is generally inadequate, but that payments of any sort are rare for serious accidents. In the United Provinces a compensation of twenty-five rupees was paid to a child who lost an arm. This was the only instance the United Provinces were able to report of the compensation being paid without insurance. This made the members of our Committee aghast. Sardar Sant Singh has also from his experience told us that he knew that in the case of accidents poor victims are left without any compensation or remedy (page 16). As regards the suggestion that the existence of compulsory insurance will make the drivers more careless, I think we have a very good answer to give.

There is no provision in the Bill for compulsory first party insurance or insurance of property. There will still be a substantial inducement to drivers who are not covered by the policy to drive carefully (Roughton's Report page 30). Drivers also run the risk of criminal prosecution if they are reckless. Third party policies do not absolve them from criminal liability.

My third argument in favour of compulsory insurance would be "The smallness of cost". It has been argued that insurance means additional operating cost and the owners of the motor vehicles who depend on them for their livelihood have very often very little margin on which to work. Insurance will increase costs and so will decrease taxable capacity. I admit that there will be a small increase but in my opinion the small increase in cost will far be outweighed by the corresponding benefit. Then again, Sir, the findings of our Committee have encouraged us to think that the burden upon the owners will never be heavy. One anna per passenger per hundred miles or two annas per ton of goods for a whole day can never be said to be a very heavy incidence.

Sir, before I resume my seat I would like to say a few words regarding State insurance. It may be suggested by some of our Members that Government should undertake the duty of motor insurance. I do not know whether it is intended that the State should take over all insurance of motor vehicles or only that portion of it which is compulsory: the former course would necessitate the expropriation of existing business while the latter necessitates each accident in which there was a claim on behalf of a third party being investigated by two sets of examiners, one employed by the State and the other belonging to the company responsible for the non-compulsory part of the insurance—a duplication which could not fail to increase the costs bearing upon the the owners of motor vehicles.

Motor insurance does not merely mean the taking of premia and paying out of compensation. In motor insurance every claim has to be investigated both as regards amount and the liability of the insurer. In the case of a life insurance, however, the amount is known and the liability of the insurer is seldom in doubt. It is inevitable that the investigation of claims will require a large sum for which an allowance will have to be made. If claims are not investigated the amounts paid would be swollen to an extraordinary degree.

If the State entered the field it would probably find that by a natural process of selection the cream of the business in the form of the careful owners with good records had been taken by the companies and only the bad risks whom no one would insure will be left to come under the State scheme. These latter are the very persons who would be better off the road altogether, but a State scheme would offer them facilities to continue their evil course.

I would also refer to another aspect of the matter. It will be remembered that there was recently discussed at great length in this House the Bill which has now become the Insurance Act of 1938. During the course of those debates members of all parties expressed their views that everything should be done to foster the young insurance industry that is

[Mr. R. M. Chatterjee.]

growing up in this country. If this is the sincere desire of the House I would ask how it can be reconciled with a proposal for State insurance which would seek to divert business from the companies to the State.

State insurance also has a disadvantage that it removes the element of healthy competition which in itself tends to keep profits within reasonable limits. It is common knowledge amongst those who study closely the results of insurance business that motor vehicle insurance in particular is the most difficult branch of insurance to conduct successfully. Nobody can deny that this is a business of experts. Even the oldest-established companies with the benefit of many years of experience and expert staffs of the highest qualifications find the greatest difficulty in showing a balance on the right side at the end of the year's working. In England the injudicious selection of risks was responsible for failure of some companies. I suggest therefore that no system of State insurance could compete against those already in possession of the field without incurring losses which would have to be met either by increased premium or by, in effect, subsidies from general revenues—the former remedy would obviously tend to drive still more vehicle owners from the State to the companies, leaving the State with a larger proportion than before of the worst class of risks.

I am of opinion that the business of this nature will be more efficiently done by private enterprise than by the State. The division of overhead charges of a company between a number of different forms of insurance which tends to keep down costs will not be present in the case of State insurance. On the ground of public policy also I think the State should not compete with existing interests and local enterprises.

The figures shown in the Report of the Motor Vehicles Insurance Committee are undoubtedly much below the actual owing to a very large measure of non-reporting. Perusal of paragraph 44 of our Report will show that. The proportion of non-fatal accidents is 24 to 1 in England but only 8 to 1 in India. This suggests that the non-fatal accidents are three times as numerous as shown. I have no doubt that if compensation can be obtained many that are not now reported would be made known.

Compulsory State insurance against motor accidents has not so far as I am aware been attempted elsewhere. It may very well be assumed that other countries have realised the objections to it.

The difficulty which people will experience in fighting the State cannot be overestimated. The procedure which requires to be adopted in such a case is far from simple (*vide* section 80 of the Civil Procedure Code) and may well have the effect of discouraging persons with legitimate grounds for claims from taking steps to enforce them.

In view of these considerations I have no hesitation in asking this House to reject the idea of State insurance as one which offers no advantages of any description over insurance operated by private enterprise.

With these few words, I support the motion.

Seth Govind Das (Central Provinces Hindi Divisions : Non-Muham-madan) : Mr. Deputy President, I also rise to support the motion of the Honourable Mr. Clow, but I cannot support it with the same amount of enthusiasm with which my Honourable friend, Mr. Santhanam, did. Mr. Santhanam made it perfectly clear that whatever he said was his personal view and not the views of the Congress Party as a whole. I also wish to make it clear that whatever I shall say is my personal view, and not the opinion of the Congress Party.

Sir, the Select Committee, no doubt, made many improvements in the Bill, and I take this opportunity of congratulating the Members of the Select Committee for their great endeavour, but still I am afraid that the objects for which, it is said that, the Bill is being introduced will not be achieved. The Honourable Mr. Clow in his speech while moving his motion said that there were two main objects for bringing forward this legislation,—one was the public safety and the other was to consolidate the various Provincial Acts which already exist in this sphere. He further said that he had received various representations from the motor transport organisations protesting against this Bill, but, in his opinion these representations were made on account of certain misapprehensions. The Honourable Mr. Clow declared that the Bill was in no way against the interests and development of the motor transport industry. Now, Sir, if I was convinced that this was the case, I would have readily supported his motion with great enthusiasm, but the Honourable Mr. Clow contradicted himself in his own speech. In the beginning he said that the Bill had nothing to do with Railways.....

The Honourable Mr. A. G. Clow (Member for Railways and Communications) : I never said that.

Seth Govind Das : Then you admit that the Bill has got something to do with the interest of Railways as well ?

The Honourable Mr. A. G. Clow : I mentioned, Sir, that there is one particular section which had a direct reference to Railways.

Seth Govind Das : But, Sir, in my opinion, besides certain provisions of public safety, this Bill deals mainly with road and rail co-ordination. Now, Sir, as far as the clauses relating to public safety are concerned, there is not much difference of opinion, but as far as the rail and road co-ordination is concerned, I submit that there is serious difference of opinion. Sir, there cannot be any real co-ordination without complete control, and if this complete control on the motor transport industry is going to be exercised with the object of helping railway finance, I must say that it will kill the motor transport industry, if not immediately, at least in the long run. Sir, control of motor transport industry for public safety is one thing, and control of motor transport industry in the interests of railway finance is entirely a different thing. I am afraid, Sir, that in the name of public safety the motor transport industry is going to be controlled and sacrificed in the interests of railway finance, and, therefore, I say that the real objects of this Bill are not going to be achieved.

I admit that the Railways are a national industry, although, when one examines and studies the various complexities involved in railway

[Seth Govind Das.]

administration, one is often inclined to think that it will take a pretty long time before we can call this industry a really national one.

Sir, the position of the Statutory Railway Authority, under the Government of India Act, 1935, the way in which the Railways are perpetually kept under debt, the mismanagement of the depreciation fund, financing constructions like the Hardinge Bridge, Vizagapatam Harbour, etc., the top-heavy administration and Europeanisation of higher services, and many other similar manipulations, confirm my fear. However, I admit, that we must try to improve the railway finances, but how to do it is the question, and here I shall illustrate certain instances and try to show to Honourable Members of the House what other important countries of the world did when they were faced with a similar problem. I am quoting from a book entitled, "Road and Rail in Forty Countries". In the United States of America what did they do ?

"The railways have attempted to meet motor competition by a number of technical and tariff measures. These measures include, improvements in the actual operations of transport ; speeding up of trains and introduction of short light trains ; employment of rail cars in the place of local trains, improvements of service, extension of the hours for shipment and delivery of goods ; opening of night services for handling goods, employment of special equipment to facilitate handling, etc."

Now, Sir, in America,—

"There is no federal legislation dealing with the co-ordination of road and rail transportation, and in the absence of legislative authority there can be no administrative intervention in the conflict which is taking place between the two means of transport. The Inter-State Commerce Commission, on its own initiative, after extensive hearings on the subject, arrived in 1932 at the following conclusions : that there is today an excess of carrying capacity of existing transport facilities. This excess is due to the freedom with which the motor-car has been allowed to develop and create competition. This competition operates under conditions of inequality which are favourable to motor transport. It is reasonable that wherever motor transport renders better service it should replace the railways ; this transformation should be encouraged wherever it seems to be conducive to progress. On the other hand, Federal legislation relating to the regulation of motor vehicles operating on the public highways and engaged in inter-State commerce is desirable in the public interest."

In France we find :

"Motor transport enterprises for the carriage of goods have complete freedom and are only subject to the provisions of the *Code de la Route* applicable to every motor-car owner. Since the passing of the law of August 21st, 1923, the State may grant subsidies to motor transport services for the conveyance of goods."

With a view to modernising their services in order to meet motor competition what have their railways done there ?

"With a view to modernizing their services, the railways have established reduced rates between certain stations. Grouping services have been improved in stations and the use of containers developed. Reduced rates have been introduced for empty packing cases."

In Italy we see :

"There are no laws governing the relationship between road and rail, but certain organisations have been created to co-ordinate the two services. In 1929, the National Transport Institute was formed with a view to directing traffic to the railways by technical methods (*door to door delivery, etc.*) or tariff measures (*reduction of tariffs for amalgamated freight*)."

Of Germany—I shall not quote any more instances here. What I want to say in this respect is.....

Mr. K. G. Mitchell (Government of India : Nominated Official) : Will the Honourable Member not give us the particulars about Germany ?

Seth Govind Das : If he wants, I will. I quote what they have done to improve their railway finance :

“ The D. R. G. has introduced collective tickets issued at 33 1/3 per cent. instead of 25 per cent. reduction, and the minimum number of sharers of the ticket has been reduced from 20 to 15, and more recently to 12 ; the clause stipulating the minimum length of journey has been cancelled. When more than 31 persons share a ticket, one free journey is allowed, a further free journey being allowed for each additional unit of 50. The reduction in the case of excursion trains has been increased from 10 to 20 per cent. The reduction made for collectively booked trains may be as much as 50 per cent. and even more in certain cases. Other reductions are granted in respect of school-children's tickets, holiday tickets, etc. Lastly, the D. R. G. has come to an agreement with certain motor forwarding agents whereby they are able to make such substantial reductions in cartage rates that competition is no longer to be feared.”

The Honourable Mr. A. G. Clow : Will he refer to co-ordination in Germany ?

Seth Govind Das : In this book it has been mentioned that they have entered into certain contracts independently with certain motor transport agencies, and no laws have been enacted for Germany, with regard to co-ordination. What I wish to bring to the notice of the House is that if railway finances are to be improved, then they are to be improved in a different way. I was rather shocked to hear from my Honourable friend, Dr. Dalal, that if the competition between railways and the motor transport continues and the railways suffer a loss, then the railways will have to increase their freights and fares. I want to tell him that this is not the way to compete with motor transport. If the railways really want to compete with motor transport, they will have to do what the other countries did in this respect. They will have to provide more facilities to travelling public for goods traffic, and reduce their expenses, only then will they be able to compete with motor transport.

Then, Sir, in the countries which I have mentioned, the motor transport industries were fully developed and only then they found the imperative need for certain laws to be enacted. As far as India is concerned, if we compare our area and population with the area and population, of different countries as well as the road and vehicles ratio, we will find that honestly speaking we have neither vehicles nor roads. I have got some figures which show the mileage of roads in different important countries of the world. For instance, in the United States of America there are about three crores miles of road, and in the other countries also we find their ratio of road, compared to the area with India is very much higher. Our country comes at the bottom. In spite of our huge area here we have only two lakhs and 69 thousand miles of roads, out of which we have metalled roads to the extent of 76,082 miles only. The same thing we find so far as the motor vehicles are concerned. In the United States of America there are about 2,62,21,000 vehicles and so is the case with many other important countries, while in India, in spite of our huge area and population, the number of

[Seth Govind Das.]

vehicles is only 1,71,000. What I mean to say is this, that when such laws were enacted in other important countries of the world, their motor transport industry had been fully developed. The conditions in India are entirely different. Here, this industry is still in its infancy. I admit that we at present import our vehicles. But, unfortunately, we import all the machinery and not only motor vehicles. Before we could develop this industry in our country and manufacture our own motor cars and buses which we are contemplating to do now, this Bill has been brought and I am afraid this law will not only mar the progress of the motor transport industry but also discourage the motor manufacturing industry. In the year 1933, while inaugurating the Rail-Road Conference, His Excellency the Viceroy said :

“ It is a fact that in a country of vast distances such as India the economic prosperity of its peoples is bound up with cheap rates for the transport of agricultural produce, coal and other traffic, commonly described as low grade traffic. It is also a fact that the convenience, elasticity and economic advantage of motor transport are very real ; that motor transport has already substantially altered and improved the conditions of life in many parts of the country and that it is of great potential value in advancing the material, social and political progress of the population.”

These were the sentiments expressed by no less a person than His Excellency the Viceroy and Governor General of India in the year 1933 and in these four years we find that there has been change in the attitude of the Government towards this industry. Otherwise a Bill should have been brought containing provisions for the public safety only and there would have been no deterrent provisions here to crush the motor transport industry. Then, Sir, I am afraid that the co-ordination of the motor transport with railways is not a practical proposition. Here I shall quote what the Railway Inquiry Committee has said in this respect :

“ We are required by our terms of reference to pay due regard to the question of establishing such effective co-ordination between road and rail transport as will safeguard the public investment in railways while providing adequate services by both means of transport. Road transport has not developed to the same extent in India as in other countries of the world. The number of buses and lorries is small in relation to the size and population of the country and is bound to increase as the road system is improved and extended. We consider that the country should enjoy the advantage of this development and that no restrictions should be imposed which would unfairly hamper it.”

Further on they say :

“ We are bound to say that in existing conditions co-ordination is an unattainable ideal. . . . It is useless to try to bring about effective co-ordination until road and rail transport are both operated as public services and under regulations appropriate to a public service.”

The question is whether the conditions in India are fit for co-ordination as has been suggested by the Railway Inquiry Committee. The Railway Inquiry Committee say that when road transport develops and both are operated as public services, only then it would be possible to bring in the solution of co-ordination and they think that the present conditions in India are unfavourable for co-ordination and that the progress of motor transport industry should not be hampered.

It is said, that as far as co-ordination is concerned, it would be left to the provinces. All right. There cannot be a better proposition than this but then the question is that the work of co-ordination would be done by the Provincial Governments and the provincial and regional transport authorities. They will have ample power as far as imposing restrictions on the motor transport industry is concerned. If there are any irregularities in motor transport industry, then provincial authorities will have the authority to control and check them but what about Railways? As far as the railways are concerned, under the Government of India Act, these authorities will not have any real power to bring them under their subordination. They will have no power to impose parallel restrictions on a railway and the railways will be able to achieve their advantages over the motor transport industry.

As far as compulsory insurance is concerned, in spite of Mr. Chatterjee's lucid speech, I am not convinced. The conditions in this country are entirely different from the conditions in other countries. I have proved it by the references I gave from the position of other countries. If we introduce compulsory insurance in this country at the present stage, that is going to be a great burden on the motor transport industry. For Dr. Dalal to shake his head is a very easy thing because he is not interested in the motor transport industry and he cannot appreciate the dangers of the sort of cut-throat competition exist in the business. But the question is whether under the present conditions of the motor transport industry of the country this compulsory insurance will not be a great burden on the industry. Nothing has been said to prove here that this compulsory insurance is not going to be a burden on the industry. If it is to be imposed, I would suggest that this part of the administration should also be handed over to the provinces. So far as the people of India are concerned, it is a known fact that the majority of them are illiterate. For an illiterate victim, it would be very difficult to establish his rights of claim and speedy realisation of his compensation. Therefore, the organisation and control of the compulsory insurance should be left to the provinces.

Sir, I shall not take any more time of the House. I would conclude by saying here that I admit that a certain amount of control on motor transport industry is necessary for the public safety but as Dr. Banerjee has said, and I entirely agree with him, that the control should be exercised only as much as is absolutely necessary. If we go further and stiffen this control in the interests of railway finance, I am sure that the motor transport industry will be killed. In consonance with the views that I have expressed, I support the motion of my Honourable friend, Mr. Clow.

Mr. Muhammad Azhar Ali : First of all, I should like to say a few words about my experiences on this Motor Vehicles Committee on which I had the honour to serve as a Member of my Party, but I should like to say that my views cannot be taken as the views of my Party as a whole. It is quite possible, Sir, that there may be any number of differences in the views generally from what I say on the floor of this House. It was my very first experience on this Committee during the long term of my membership of this Assembly that I found that the Government was to a very great extent accommodating to all our criti-

[Mr. Muhammad Azhar Ali.]

cisms, and I am consequently prepared to say that the Honourable Mr. Clow and his assistants, especially Mr. Mitchell, in spite of the experience that he had on the Mitchell-Kirkness Committee, were always accommodating whenever it was found that different views were held on the other side and when such views were expressed from the opposition—either from the Congress Party or from the Muslim League Party or any other Party. I always found that the Government was always accommodating and gave a listening ear to all we said and ultimately we found that whenever we urged that it was very necessary that a certain thing should be done in the interests of the country, Government was always accommodating. I have to give out another information here. Sir, the interest which our worthy Deputy President, who presided on this Committee, took and the way in which he conducted the proceedings of the Committee were indeed very encouraging at every stage. Sir, the Members found, and I am sure there is not a single Member here in this House who was a Member of this Committee who will differ from me, that every Member of this Committee was accommodating each other. I am sorry that in spite of the fact that several of our Members gave out tea parties to my friend, my friend who is disturbing me from behind, i.e., Mr. Paliwal, did not come forward so very willingly. Sir, I have no complaint against him but I still hope that if we meet in committees in future we shall get a very nice tea party from our same friend here. Sir, we have to remember that this Bill is a very omnibus Bill. It has been a very omnibus Bill from the very start and, therefore, we found that it was necessary that although we may have had to deviate from our regular course of business, we ought to lay down a new principle that in future whenever committees meet on such Bills, we must have some preliminary discussions on principles. Sir, I am much obliged to our Honourable and worthy Deputy President who allowed this principle to be inaugurated on this committee at least, and I am sure that whenever we meet in committees and sub-committees, we will discuss principles and decide certain matters which may be conducive in future to our arriving at very good and sound conclusions. Sir, this Bill when it was first introduced into this House looked to every one to be a very rigid Bill. All of us thought that it would take some very long time, rather more than the time we spent on the Committee, that it would take more time for us to travel through all the sections of this Bill, but, Sir, in a very short time we came to very salutary conclusions over all the sections of the Bill, and I think this House ought to know that we did our best in what way we could to make the clauses of this Bill not so very rigid as we found them before.

Sir, in the Bill there were such clauses as were repellant to public opinion, to our sense of justice and to our feelings as Indians. We have tried our best to remove all. So far as legal difficulties were concerned and so far as other unpalatable things—which we denounce every day on the floor of this House—i.e., about the Evidence Act or it may be about the criminal law, those also we tried our level best to remove. Wherever we found that the Bill was very rigid or very strict—for instance, I may say here, the section relating to abetment of offences we got deleted—and also we did not try to put in such things as were

not conducive to the interest of the public at large. Sir, wherever we found that the fines were very heavy, we tried our best to induce the Government to accept our view and we are glad that the Government agreed to our wishes. At the same time wherever there were very rigid and very stringent rules, we also tried our best and we were glad that those things have been, to a great extent, softened and the Bill is not now so strict and rigid as it was before. Sir, if my friends compare the two drafts—i.e., when the Bill was first produced before the House and the draft as it has emerged from the Select Committee—I am sure all the Members of the House will feel that the Committee has done its level best to make the Bill more acceptable to the public at large in the country. Sir, the owners of cars were threatened by a sort of abuse of criminal law. It was said that the owners would be responsible for every illegal act committed by the drivers and the presumption was to be raised against the owner. As you will find in clause 5, it has been absolutely removed and there is no such presumption now to be made against the owner. In the same manner we have made provisions in clauses 13 and 132 for appeals for every sentence that is to be passed. Sir, it is not a small affair and I am proud of the fact that we have been able to take out this sting at least from the provisions of the Bill as it was produced in the House before. Sir, at the same time, under clauses 13 and 132 we have been able to provide a very salutary provision that the Provincial Governments are to determine the courts. We have not prescribed any special court in this Bill as it has emerged from the Select Committee. Sir, it is not only that; we have laid the foundation for the separation of the judicial and executive powers. Sir, that is a principle for which we fight every day in this country and it is satisfactory that we have now laid the foundation for the separation of the functions of the judiciary and the executive.

Sir, I am glad that the Government, in spite of its inconsistencies on former occasions, have agreed that the Provincial Governments may, if they like, introduce the separation of judicial and executive functions and they are not bound to send up cases before the executive authorities but also before the judicial authorities if they so like. Then, Sir, further on, when we proceeded with this Bill, we tried our best to make our friends on the other side agree that all kinds of reasons should be given for all the sentences that are to be passed by the magistrates; for example, we tried our best to lay it down and the Government agreed that if licences are refused, their reasons should be provided; at the same time not only reasons should be provided but that those reasons are to be communicated to those persons whose licences are to be refused. These are the salutary provisions of the Bill, whether they may relate to appeals, or they may relate to the refusal of licences or they may relate to any other thing, they have all been provided for in a most satisfactory manner to us. Therefore, I say that it was a peculiar feature of this Committee that the Government accommodated us at every step. When we came to the clauses which referred to the co-ordination between the Indian States or the foreign countries like Pondicherry or the French possessions, there too we have provided, as in clause 9, that there should be a *quid pro quo*. If the Indian States or the foreign countries do not accommodate us to the same extent as we in British India are prepared to accommodate them under this Act, then

[Mr. Muhammad Azhar Ali.]

we have provided for that too. I do not see how it is possible for the Indian States to refuse to us what we have given to them and I am sure that in their own legislation the Indian States will accommodate us to the same extent and there will be the same *quid pro quo* on their part as well.

We, in this Assembly, always try and ask the Government to give us non-official Members on every Committee and Commission that is appointed. Some time we ask the Government that there should be a majority of non-official Members on Committees. I am glad to say that if my Honourable friends will compare the two drafts, they will find that we have provided in clause 43 to the effect that non-official committees are to be formed and the Government has agreed that the Provincial Governments will always give names of non-officials as well along with the officials. We cannot do away with the officials wholesale because they come to us as experts. Whether it is the provincial transport authority or the regional transport authority, Honourable Members will notice that on both these Committees we have provided that there will be officials and at the same time there will be an equal number of non-officials. I am glad to say that in clause 43 Government have agreed to this salutary provision. I may mention here, by the way, although I find it was mentioned by my friend, Mr. Santhanam, the other day, that by this means the railway influence is to be eliminated. I can assure those Honourable Members who think that the railway influence will be great on these Committees that it will not be the case now because of the provisions of clause 43. Those persons who have got any kind of financial interest cannot become members of these two Committees. After mentioning these facts I want my friends in this House to remember that we have done our level best having regard to the vastness of this country, the ignorance of our people and the conditions in which we have to live not only in this House but also outside this House. Therefore, what we have been able to get from the Government in this Bill is quite enough.

I am sure, my Honourable friends will realise that nothing is perfect in this world. Then, how can they expect this Bill to be perfect? I will ask my Honourable friends to read clause 54 of the Bill. Whenever there is a question for the labourers, my friend, Mr. Ranga, gets up and says that we ought to provide facilities for the workers. If you read clause 54, you will find that we have provided for only 54 hours work per week for those who serve in motor works. I hope it will not be said that 54 hours work in a week is a hardship on the workers. Sir, whether it be in the sphere of legal difficulties, whether it be in the sphere of workers and their conveniences, whether it be in the sphere of getting non-officials on the Committees or whether it be in the sphere of providing for the separation of judicial and executive functions, I must say that the Provincial Governments have been authorised to do as they like or more even than the Central Government, under this Bill. Therefore, when we have left all these things to the Provincial Governments, I think our countrymen ought to feel satisfied for what we have done under this Bill. Not only that, we have provided that for these workers there will be kept a record of work and reasonable work will have to be taken compulsorily under the Bill. So, my submission is that we have done our best on this Committee.

There is only one thing more which I would like to say. Our demand every day is that our provinces should be more autonomous. In this connection, I will invite the attention of the Honourable Members to clause 1, sub-clause (3), which I would ask them to read with great care. It says :

" It shall come into force on such date as the Central Government may by notification in the official Gazette appoint in this behalf ; but Chapter VIII shall not have effect in any Governor's Province or Chief Commissioner's Province until the Provincial Governments, after the passing in the Legislative Assembly of a Governor's Province of a resolution recommending the application of that Chapter to the Province, by notification in the official Gazette so directs :

Provided that when in the majority of the Governors' Provinces the Chapter has been so brought into effect the Central Government may, by notification in the official Gazette, bring it into effect throughout British India."

After reading this sub-clause my Honourable friends will find that all those things that they may have thought injurious have been taken out from this omnibus Bill. It will be a great pity if our friends object to the Provincial Governments having such powers for which they make a claim in this House every day. If this sub-clause is to be worked then it has been provided that a resolution must be moved in the Lower House. We have not included the Upper House. We have given this power only to the Lower House. If the Lower House can pass this resolution, they will have the power to do as they like. Again, Sir, Chapter VIII is considered to be one of the most important Chapters and it was the most criticised portion of this Bill. Therefore, whatever the Select Committee could do, it has done. I do not claim that this Bill is an absolutely perfect Bill. If there are any defects in it which my friends here think ought to be removed or modified, I shall be very glad to support them if I find that they are reasonable and they are supported by reasonable views.

In the end, I may also say that this motor transport industry is in its infancy in this country. It has not achieved that perfection and it is impossible to achieve perfection of any kind so long as it is not properly supported. This industry has been in existence in this country for at least 30 or 40 years. Other countries like Germany, England and the United States of America have advanced rapidly and we cannot compare the figures of those countries with the figures available in India. As I said in the beginning, we have had regard not only to the safety and convenience and advantages of the country, but also we had thought that if there was any necessity to introduce such further things which of course came within the scope of the Bill, we have tried our best to include them also in the Bill. Sir, with these words, I support the motion for consideration of the Bill.

Mr. Manu Subedar (Indian Merchants' Chamber and Bureau : Indian Commerce) : Sir, the Bill which the Honourable Mr. Clow introduced and which he has acknowledged to be controversial is one of the longest Bills that ever came before this House and on this matter I congratulate the Honourable Members of the Select Committee on their having reduced the area of differences of opinion. I notice and notice with great joy that some of the more savage and harsh provisions which were calculated to intimidate, to harass and otherwise to burden and to oppress the motor trade have been either removed completely or very considerably modified. Sir, at this stage, I will straightaway dissociate

[Mr. Manu Subedar.]

myself with any section of the House who would want either to obstruct the passage of the Bill or to destroy it. I will say on behalf of the Chamber of Commerce whom I have the honour to represent in this House that we have every desire to see a proper law on this subject get on the Statute-book and to get through during this Session. I, therefore, cannot support the motion for circulation which has been put forward.

Another main point which was put forward is that there are several sections which have given considerable power and authority both for rule-making and for the appointment of transport authority to the Provincial Governments. I will come to section 42 within a moment. This is as it should be because the control of road traffic and roads is under the Government of India Act a provincial subject and, what is still more important and from our point of view the most important thing, is that Provincial Governments are everywhere in the hands of responsible Ministers. At the same time, with regard to the constitution of regional and provincial transport authorities, there is a provision in the Bill which I fear is likely to create considerable difficulty. While it leaves to the discretion of Provincial Governments to appoint anybody they like, including any representative of railways at their discretion, it interdicts the appointment of any one who has a financial interest in any transport agency. Now, Sir, I will ask a question as to what is financial interest in a transport agency. Assuming that I hold one share in the Bombay Electric Supply Tramway Company, would I be eligible for being appointed to the transport authority in Madras, Calcutta or even in Bombay or would it make me ineligible? This is the portion of the section which requires slight modification or amplification in order not to put out people who have merely a small investment in some company which is interested in transport from going on as members of the provincial or regional transport authority.

With regard to the main question of competition between road and rail, I would bring it to the notice of the House that the proper method and the proper approach by which they should examine the Bill as it has now emerged from the Select Committee is the one which was given by Sir Frank Noyce in 1933. He said what is really wanted is the best distribution of the nations' traffic between the two systems in the interest of the nation as a whole. Similar views were expressed by the Transport Advisory Council of the United Kingdom. They said :

" the best line of approach to achieve co-ordination is to aim at securing for traders, that is to say for the public adequate alternate facilities, care being taken that the resultant competition is on fair terms, that there should be unfettered right on the part of the trader to select the form of transport which he considers most convenient and economic for his purpose."

Sir, what I find is that every interest has got its own way so far as the modification of the Bill in the Select Committee is concerned, but the wretched public, that is the mercantile community, who employ both motor trade and who give traffic to railways, they seem to have got the worst of it. The choice must be theirs and wherever the choice is restricted as it is sought to be restricted by section 42, wherever the choice is restricted, a fair deal must be given to them. I will read, Sir, the

section in which the Provincial Government is given authority having regard to certain things including advantages offered to the public, trade and industry by the development of motor transport. I do not see how the advantages offered, how regard can be had to the advantages afforded to go and restrict those very advantages as it is provided in sub-clauses 1 and 2 :

“ to prohibit or restrict throughout the province in any area, etc., etc., or subject to such conditions as it may think desirable, the conveying of long distance goods traffic generally or of prescribed classes of goods by private or public carriers.”

Now, Sir, when the Bill was introduced, I was myself responsible for making this suggestion on my own bat and that suggestion, however, was that instead of crippling, instead of harassing motor traffic not only that part of it which is competing with you, but that part which is feeding you, that part of it which is not at all touching you, instead of throwing the financial burden and regulating the operation of motor traffic generally, why don't you come out in the open and say that in order to preserve our monopoly, we shall take power to restrict certain very remunerative lines to the railways and to keep that monopoly for them so long as the railway finances cannot afford to meet this obligation. When I suggested that, I had made a stipulation which I repeat and the need of which I will urge on this House to be introduced in the Bill and that stipulation was not a unilateral power like this by which in the interest of the railway some traffic is taken away from the motor trade, but that stipulation was that when you take away such traffic, you should give to the public lowest rates that you can give and in order to ensure that the rates are the lowest, you should enforce in the working of your railways all the economies which are possible. I further said that the godown to godown delivery is an attraction which the motor traffic gives to the commercial community and which the railways cannot give at present and that facility must invariably be given wherever by the operation of this particular section the traffic is taken away in order to secure a monopoly of the railways in respect of that particular line of traffic.

Now, Sir, with regard to the next point, namely, maxima and minima, my objection is still more severe. As I mentioned on the first occasion, the Provincial Governments, who are given the power of fixing maxima and minima, will never have at their disposal the necessary facts in order to enable them to do this either with justice to the trade and to the public who employ the transport or to the transport agencies themselves, or with dignity to the Provincial Governments. Sir, I do not want the Provincial Governments to be placed in a ridiculous position where without sufficient facts they are called upon to fix these maxima and minima. If they fix these with very wide divergence between them they would make fools of themselves ; if they do not keep a wide divergence, even then, apart from the methods of evasion which both the trade and transport agencies would know and apart from the ease with which these can be evaded, I say that it is not a fair proposition, it is not a fair obligation for us as legislators to put on the Provincial Governments that they should go and fix maxima and minima for every route, for every line of transport, for every kind of goods, for every little stretch of territory. It is not a proper burden which you should put on them. In that case the question arises as to whether I would advocate anything else in place of this. And may I, Sir, with your permission mention that I should like

[Mr. Manu Subedar.]

a general power to be taken under this Bill and under this clause for the Provincial Governments by which they would have the right to interfere whenever anything irregular is reported to them, that is to say, of a very unfair competition between the transport agencies themselves. Whenever it is reported to them that there is something irregular going on, they would send their inspector, and if they are not satisfied that the competition is healthy and proper, they would intervene themselves to prevent the rates from going down. Similarly, whenever anything serious is reported to them that there is a monopoly which is rigging up prices against the public, they would have the right and the power immediately to interfere in the interests of the public. Sir, this general power which I am advocating would not place the Provincial Governments in that ridiculous position in which what is provided in the Bill is calculated to do, and would certainly meet all the purposes and the main object of this clause, namely, that unhealthy competition which takes the rates too low should be prohibited, and unhealthy exploitation of the public should also be prohibited. Sir, may I address the Government Benches for a moment and ask them how....

The Honourable Mr. A. G. Clow : No, address the Chair.

Mr. Manu Subedar : I am addressing the Government Benches through the Chair and I shall be very glad if they will give me an answer after I have spoken. May I ask them how it is that they reconcile their absolute refusal even to consider the modest measure of Sir Abdul Halim Ghuznavi which required the Government of India to fix the maxima and minima in the case of water transport and with what good grace are they coming to this House with the same provision with regard to the motor trade ? Am I to understand that it is the motor trade which is giving them great annoyance by competition with the railway system ? I do not wish to ascribe motives but I do my duty here in pointing out the inconsistency and I say that if they have refused in the case of water transport to fix maxima and minima, as was the desire in every part of the House, because of the inherent difficulties and the impossibilities, then they will accept my plea that they should not put the Legislature in the awkward position and the Provincial Governments in the undignified and untenable position of having to fix maxima and minima under this clause.

Now, Sir, there is another thing which I should like to mention with regard to road-rail competition which may not be in the mind of the Honourable the Mover but which is undoubtedly in our mind all the time. And we say that tightening up of the railway administration with regard to all possible economies is the only measure which will ever induce any responsible Provincial Government to operate on this clause. If we throw it out that is a different matter ; but if that clause remains, let me remind Honourable Members on the opposite Benches that the power of exercising this restrictive rule in the interest of the railways will be always with the Provincial Ministers and no Provincial Ministers, none of our colleagues, whether they are colleagues of my friend, Maulana Zafar Ali Khan, or whether they are our colleagues,—will ever think for a moment of taking any action in the interest of the railways till they are fully satisfied, which they are not at the moment, that all possible economies have taken place at that end.

Then, Sir, there is another point with regard to this competition. The official Benches seem to think that motor transport is a single unit ; at least that is the sense which I make out of some of their speeches. Sir, motor transport is not as concentrated a unit as the railway is. Motor transport is spread all over ; there are larger agencies and there are smaller agencies ; there are hundreds and thousands of people dealing and engaged in this directly and indirectly, in the supply, repair, running and distribution of petrol, as conductors and drivers and in various other capacities. And labour and capital are all widespread and not concentrated. At the moment Government are trying to disturb the enterprise which is not concentrated in one hand but which is run on the basis of a competition which, as the Honourable Member himself acknowledged, is sometimes very serious and dangerous. The method of dealing with that competition is, first and last, for the railways to look a little more inside themselves and turn to a little more self-examination, and satisfy the country that they have themselves done everything that is possible and deserve the help which the Bill and this particular restrictive clause is calculated to give them.

Sir, there are a few small clauses which I will dispose of and they are in the interest of justice to the industry. I do not see why those engaged in motor traffic will not be allowed the same facilities for attracting traffic as the railways have ; for example, concessions of return tickets, giving of concessions to people who use the route frequently, to reserve a car with a smaller number of tickets, and to give all concessions of the kind which the railways are giving. On specific occasions why are these denied to the motor industry ?

The Honourable Mr. A. G. Clow : Who denies them ?

Mr. Mann Subedar : I am very glad they are not denied.

Then, Sir, with regard to the fares which have got to be exposed, these are the legal fares, and I take it these are fares which would be reckoned at in the event of there not being a special contract. But I do not also see why they should be prevented from having a special contract directly or indirectly. Sir, I fear there are certain clauses which will drive, as I anticipated before, the motor trade from the hands of the small man into the hands of a large corporation. One such clause, for example, is that the regional transport authority shall consider :

“ the operation by the applicant of other transport services and in particular of unremunerative services in conjunction with remunerative services.”

Sir I will make a free gift to the Treasury Benches of these two words “ remunerative ” and “ unremunerative ”. There are no other two words which are more difficult to define and to explain. And I say that when you make a law it is your duty to make that as clear as possible, that no party is in difficulties, and certainly no small parties who are eking out a doubtful living out of the motor transport business. Then we are told that passengers shall not be taken up or set down except at specified points. I have spent many and some of the best years of my life in the city of London and I say that in that city where the transport problem is most complicated this facility to the public exists—the bus stops as soon as a passenger waives for it....

An Honourable Member : No, no.

Mr. Manu Subedar : I am describing what was the state of affairs during the pleasant years of my life when I was in London.
4 P.M.

An Honourable Member : Not now.

Mr. Manu Subedar : In any case, what was good enough for London for many decades will be good enough for my country for a short time to come ; and instead of denying to the public and to the bus-owners and bus travellers this human convenience.....

An Honourable Member : It is only a rule-making power.

Mr. Manu Subedar : No case has been made out why this restriction should be put.

Then, there is the point about the private carrier. On this point, there are several provisions which are unsatisfactory : *e.g.*, an applicant for a license for a private carrier is asked to show that the vehicle for which the permit is required is necessary in connection with the business of the applicant. Sir, the income-tax authorities have, after many years of trouble, now come to the position where they partly understand something that we say about the interests of our business. But to make the motor vehicle authority understand what are the requirements of our business will be a very difficult task ; and I say there is no reason whatever why this oppressive clause should be put in. If after a declaration by a business that a particular vehicle is required for its own purposes such a vehicle is used for other purposes, you can penalise it. But what is this prior explanation that a particular vehicle is required for our business ?

Then, I want a proviso to section 62 (1) by which if a lorry which holds a license for a particular region or a particular province crosses into another region or province it should not be said that it is breaking the law : at all events for the first time it visits that other region or province, you must give a period of a fortnight allowing for holidays, etc., and for time to make application to the necessary authorities and to secure the necessary temporary permit from those other authorities.

The last point which I wish to make is in connection with insurance. I do not see why the modest request of Mr. Santhanam and his colleagues that the Provincial Government may be induced to take up this business themselves is not being agreed to by Members of the Select Committee. I have heard with care what my friend, Mr. Chatterjee, said. Mr. Chatterjee is a very distinguished lawyer and I have great respect for his legal acumen, but I will say this that in the business of insurance where more than one insurance company is concerned, there is always very great co-operation and the expenditure of double charges for investigation is, I am afraid, a bit exaggerated by my friend. The conveniences which the Provincial Governments will have if they undertake this and utilise them in their own interests—they would not undertake it if they do not want to—but the convenience which the Provincial Governments would have of collecting the insurance charges in respect of third party would be considerable : this convenience would be because motor owners are at present subject to provincial taxes and in connection with those very taxes the slight extra charge could be very conveniently collected.

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

Now, the main thing in connection with insurance is this, that you are by provision of law making certain insurances compulsory. If you are putting a compulsory burden—whether we call it a burden or a necessary element of cost as the Honourable Mr. Clow said or a tax—you are creating a charge by compulsion. With regard to this question of cost and taxes I am sure we shall come to it in the Income-tax Bill where the Honourable the Finance Member is proposing not to allow certain deductions in respect of taxes which have been paid by business people in connection with their business : but if you make certain burdens compulsory, it is your duty also to see that the burden is kept as low as possible and within the necessary limits permitted by the requirements of the case. Now, it has been estimated that the burden on this country with regard to compulsory third party insurance, whose necessity I am not questioning—I am accepting the principle that it should be there—would be about Rs. 60 lakhs. If my figure is not correct I shall be glad to have the correct figure from the Honourable the Mover. I say this and it has been urged upon us everywhere in this country that something should be done to retain this Rs. 60 lakhs in Indian pockets. I am fully aware that under sections 112 and others of the Government of India Act it may not be possible for us to make a provision here that such insurances shall be effected only in companies registered in this country. In view of this it would be very strange if any section of this House were to oppose a proposal which would make it at all events permissive for Provincial Governments to undertake this work and to undertake it exclusively as a State monopoly. I advocate this both on the ground of cheaper administration costs and on the ground that the public of this country has absolute confidence in the Provincial Governments of every province, and also on the ground that the money spent and spent under compulsion by a certain trade in this country might be retained to the utmost extent possible in this country itself. With these words, I support the motion.

Mr. Suryya Kumar Som (Dacca Division : Non-Muhammadan Rural) : Sir, I heard my Honourable friend, Mr. Santhanam, yesterday. He was a member of the Select Committee of which I was also a member. In the beginning, I must say that I am not so very optimistic about this Bill as my friend is ; he made some statement, and the Honourable Mr. Clow also made some statement, that we unanimously agreed to all the provisions of the Bill. But I do not think I am giving out any secret, which I am bound not to divulge, as a member of the Select Committee, when I say this that in the Select Committee there was a great deal of contest on the principle of the Bill, that is, on some of the most important points there was a great deal of contest and of course I fought but I lost. So it cannot be said that the members of the Select Committee were unanimous, and I am glad to say that certain members of the Congress Party also supported me in some of the most vital points of principle, and I hope the Congress Benches will also support me when I move those amendments.....

Babu Baijnath Bajoria (Marwari Association : Indian Commerce) : Do not be so confident.

Mr. Suryya Kumar Som : You may not be ; but I have no help but to rely on my friends.....

Mr. N. M. Joshi (Nominated Non-Official) : Congress men have some conscience.

Mr. Suryya Kumar Som : However, in approaching the Bill, we must, in all fairness, first of all consider some facts that exist in the country. The main question is this. Do we or do we not want the transport service to develop in India ? That is the main question, and if this House accepts the proposition that it is very desirable for the development of industry and for the distribution of our agricultural products that motor vehicle services should be encouraged and we shall have it, if we decide on this, then it will be very easy to decide the desirability of otherwise of some of the sections which have put a great deal of restriction and which have saddled the motor transport services with great cost for which it will be impossible for the services to run at a cheap rate for the poor cultivators and villagers of this country. Sir, the motor vehicle is a poor man's conveyance. As a matter of fact, I need not dilate on the point whether India wants an efficient motor service or not, because the Resolution of the Road Board says that the taxes on petrol shall be utilised for developing the road system of India so as to make it fit for motor service all over the country. Having accepted that Resolution, the Government is collecting crores of rupees and distributing the money to the provinces to make good motorable roads. In the face of this fact, it is not necessary to point out that the Government and the country as a whole have decided that there should be good and efficient motorable roads and that the motor service should be maintained in a most efficient state. Now, Sir, poor as we are in India, I must say that this motor service serves the poor villagers much better than any other form of transport. Previously, bullock carts used to serve the requirements of the villagers, but I find that recently motor vehicles have entered the field, and motor service for long distance traffic has become cheaper than bullock cart service. Though I feel for the bullock cart owners and bullock cart drivers, I find that for the good of India, for the development of industries and distribution of agricultural produce of this country, motor vehicles must exist and we must encourage them by all possible means. The bullock cart owners and drivers will not be thrown out of employment altogether, because these motor services are maintaining millions of people even now, and when this form of transport is encouraged properly with the help of a contribution from the centre, I expect that a very large number of poor people who used to drive or own bullock carts will be absorbed by the industry either as drivers or attendants or in some other capacity.....

Mr. N. M. Joshi : How many ?

Mr. Suryya Kumar Som : I am sorry I have not got figures with me just at present. But when the scheme of the Road Board becomes a *fait accompli*, when it becomes an actuality, and when it is perfected and completed, I hope, if not crores, at least lakhs of people will be maintained by the motor transport industry. As a matter of fact, some lakhs of people are being maintained now.

Mr. N. M. Joshi : How many cart men are there in India ?

Mr. Suryya Kumar Som : I could not tell you now. Sir, the motor transport is very convenient in a variety of ways. It is more convenient

than railways which I will call as the 'pet child of the bureaucracy'. Motor service is certainly cheaper. It picks up one from his house, drops him at his place, and it also demands a cheaper rate than railways. It also gives better amenities than the railways now give to the poor third class passengers. Even at present there are certain restrictions imposed on the carrying capacity of motor vehicles, so that there is no overcrowding in motor vehicles, but with all the rules and regulations, and with all the sympathetic speeches made by the Railway Member on the floor of the House, the lot of the third class passenger is the same, poor people are packed like sardines; even the middle class people are carried in the same condition in third class compartments, in spite of the rules made by the Railway Board. Therefore, Honourable Members will realise that motor transport is cheaper, it is more swift, and more convenient in every respect, and therefore this is a great advantage to the poor people because a motor vehicle will pick them up at their places and also leave them at their very door. Moreover, the railways cannot be spread over every nook and corner of the country. Even in the most civilized countries the railways are not able to reach the remotest parts of the villages. Therefore, Sir, motor transport is the only form of conveyance which is best suited to a place like India, and it should be encouraged as much as possible. I do not think that in this 20th century there is a single sane person who will say that we should not have motor service. The motor transport has come to stay, and there is no denying that fact at all. It must certainly be encouraged, looked after, and I agree it must be regulated and controlled, not for the sake of railways, but for securing better efficiency, better conveniences, for removing chances of accidents, and only for these purposes this Bill should be passed with those sections which control and regulate the services so as to reduce the number of accidents to an absolute minimum. Efficiency of the motor transport service should be the criterion by which we should judge the various sections of this measure.

Sir, we have started in a very suspicious and bad atmosphere. For the last three years the railways were steadily showing diminishing returns, and conferences on rail-road competition, road traffic, railway finances and other cognate matters were frequently held before this measure has been brought in. Therefore people have a natural suspicion that all these consultations and conferences which preceded this Bill were held with a view to devise means to put down motor competition which has undoubtedly affected the railway finances, and so Government have introduced restrictive provisions in respect of motor vehicles so that they may not compete with the railways. Particularly where there are roads parallel to the railways, it is a well-known fact that the railways are losing very heavily as the motor transport is more convenient and cheaper, as I have already pointed out. That is the suspicion under which we are going to consider the provisions of this Bill. I may remind my friends from the South that this is not a mere suspicion or a conjecture of the agitators, but it is a fact which has been proved by the anxiety of the Government of India to change the rules regarding the distribution of the Road Fund so that the Centre will have the right to refuse or grant help from the Road Fund as they think proper. That is to say, if the Centre finds that the roads projected by the Provincial Government are such that they adversely affect the revenues of the railways, then they will

[Mr. Suryya Kumar Som.]

refuse a grant to the province. This was not in the rules relating to the Road Fund. I do not know whether the word I am going to use will be parliamentary or not, and if it is not parliamentary, I hope the Chair will stop me, this rule was carried through in this House clandestinely when the members of the Congress Party were absent. The Government were in a hurry to bring forward this objectionable rule when the Congress Party were absent from this House. If the Congress Party were present here they would not have thought of bringing it up.

Babu Baijnath Bajoria : Why were they absent ?

Mr. Suryya Kumar Som : It is not for my Honourable friend, Mr. Bajoria, who is a millionaire, to ask me that question. He was very much afraid when we talked of asking our men not to enter the British army—he was very much afraid that the army might disappear and his wealth might be looted. What does that change of rule mean ? Does it not mean that they had been changed with an ulterior motive to allow or disallow provincial roads as they liked ? What business has the Centre to do with the provinces ? Whenever any question arises about the provincial ministers, we hear from the Treasury Benches and also the Secretary of State :

“ This is a ministerial matter of autonomous provinces. We have no right to raise that question here.”

The other day, our friends opposite were full of love for the Punjab Ministry—for the good sense, the fairness and the uprightness of the Punjab Ministry. But why did you change that rule ? Why did you not rely on the Provincial Government to manage their roads, to have such roads as they liked ? They are the men on the spot and when they deem that such and such a road is necessary it must be allowed to be built. That change in the rules gave rise to a suspicion in our minds that something was brewing against motor vehicles. Then, in 1937, during the discussion in the Assembly, our Finance Member flared up and murmured, “ We cannot allow our 800 crores investment to be neglected in this way.”—that is by allowing motor vehicles to compete. This clearly shows that the purpose of this Bill is not for the improvement or efficiency of the motor vehicles, or with a view to saving lives of the poor men who lose their lives in accidents. It is not for those philanthropic purposes, but only for the purpose of keeping up that proud, pampered child of the bureaucracy, the railway. The railways must justify their existence. The railways, in order to get our sympathy, must do all that lies in their power to improve their finance and provide conveniences of the passengers. If they fail to do so, we are not going, at least this side of the House is not going to help the railways. Let the railways die a natural death if it be a losing concern from year to year. My Honourable friend, Mr. Santhanam, called them yesterday, our great national assets. I call them, if I am permitted, a great national waste. Every year the railways were to contribute five crores to the central revenues. For the last five years they have not contributed a single pice. Even after that they showed a losing balance till the year before last. Last year they showed a net income of 16 lakhs or so. So, I expect my Honourable friends to protest the interests of the motor bus owners who are very poor people, poor middle class people. They

are not as rich or as influential as the managing agents of insurance companies or directors of joint stock companies. The motor bus owners could not publish so many pamphlets, they could not supply all the literature, could not come in large numbers to instruct the Members.

I am sure that my Honourable friends will protect their interests representing as they do the Congress. (Interruption.) This time the Cecil Hotel is not crowded. The gainer was the proprietor of the Cecil Hotel during the days of the Companies Act and the Insurance Act. Sir, I am not against controlling and regulating motor services. Even though the motor service is in its infancy, we have come to a stage when we must look after the lives of the poor passengers. Last year, my Honourable friend, Mr. Gadgil, proved that there had been unremunerative, uneconomic competition by which 15 or 16, scrambling for the same route, came to grief and became insolvent in the course of two years. I support the provision to restrict the number of buses in a certain locality, but I do so, not for any other purpose, but to save those men from uneconomic competition. I would ask the House to consider this Bill dispassionately without any party bias and with the sole desire that you should look after the interests of the poor people of this country. You should look to the efficiency of the motor vehicle, you must stop accidents as far as possible, you must look to comfort and cheapness ; and that is all. Forget for the moment that there is something like a railway system in this country. In clauses preceding clause 42, there are a number of clauses where direction is given to regional authority,—as to what they should consider in granting licences—that they shall consider the services that were being done by other transport authorities in the locality. The Government very ingeniously and very guardedly wanted to drive the thin end of the wedge by those clauses. These directions meant that if there is a railway from one village to another, and there is also a road parallel to the railway, then the bus shall not be allowed to run on that route. Now, in the Report of the Select Committee, the word “road” has been added before the words “transport services” wherever the words “transport service” occurred. Thereby we succeeded in protecting the motor services from railway competition. As examples, I shall refer to sections 47, 52, 42, 48 and 67. There you will find the word “road” added before “service”, so that the fact that railway had been providing transport facility already in the locality cannot be taken into consideration in granting or refusing passes. You will find that we proceeded amicably up to that point of the road. But when we came to section 42, my friend, Mr. Santhanam, came with a bombshell. A shrewd man as he is, he put in the word “road” before “transport service” without any objection till then. But suddenly he came with his amended clause 42, whereby he gave full power to the provinces, autocratic power as Hitler is exercising.

Mr. S. Satyamurti (Madras City : Non-Muhammadan Urban) : They are responsible Governments.

Mr. Suryya Kumar Som : I know how your responsible Government is using the Criminal Law Amendment Act. I know Mr. Satyamurti is a man of my ideas. He has been fighting for the repeal of these Acts for the last two years, and his speeches for the repeal of those Acts

[Mr. Suryya Kumar Som.]

will stand as a monument of oratory and ingenuity and political sense, but what is the Chief Minister of his own province doing? He is sending batches of young men to jail for the offence of Satyagraha by the application of that much condemned Criminal Law Amendment Act.

Mr. S. Satyamurti : On a point of personal explanation. I want to say that I am not supporting the Madras Government in this matter of the use of the Criminal Law Amendment Act, and the Madras Government have said that they are going to repeal the Criminal Law Amendment Act at the next Session of the Madras Legislative Council.

Mr. Suryya Kumar Som : I know that. Mr. Rajagopalachariar is one of the greatest exponents of non-violence. He is the right hand man of Mr. Gandhi.

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member had better not discuss that.

Mr. Suryya Kumar Som : Sir, all that I want to say is that Mr. Rajagopalachariar is not at fault. It is the fault of giving irresponsible autocratic powers to any man. This is wrong. Don't clothe even Mahatma Gandhi with dictatorial power or unlimited power. Yesterday, when discussing the Criminal Law Amendment Act, my friend, Mr. Sri Prakasa, enunciated a right principle. He said "Don't spoil these Local Governments. Don't clothe them with such irresponsible and tempting and attractive powers to put men in jail". He said that if you give unlimited power to any man, he is bound to be demoralised and will misuse it. I have the greatest regard for the Prime Minister of Madras. He is the right hand man of Mahatma Gandhi. He would be the same man as he was four years ago if you take away this irresponsible power granted by the Criminal Law Amendment Act.

Mr. S. Satyamurti : Do you know what is being done to him? He is being subjected to vile abuse in front of his house, as also the members of his family.

Mr. Suryya Kumar Som : You may ask "why don't you believe your own Provincial Government run by your own men?" That question was raised. We are taking away powers from the irresponsible Centre and giving to responsible Ministers. The Congress today controls seven provinces. I know. I am at least 20 years older than my friend, Mr. Santhanam. I am about 70. I have passed through all the stages of political struggles. I know all these things. As a young man, I praise your optimism. I would ask you to keep that optimism....

Mr. President (The Honourable Sir Abdur Rahim) : The Honourable Member must address the Chair.

Mr. Suryya Kumar Som : But, Sir, I will give this warning to this House that, democracy or autocracy, the Government is a Government, and the people are the people, and, unless this was so, in England, and particularly in America which is the most democratic country in the world, there would not have been any necessity for any laws and their own President and their own Congress would have ruled the country—what was the use of rules and what was the use of regulations and laws? On the other hand, we find that in England and America there is the largest number of laws to protect the civil liberties of the people and the

private rights of the merchants and others amongst the people. We have got the law of torts, excellent idea of torts and equity and all these things in those countries. The English and the American cabinets are more responsible and more democratic than the Indian and Provincial Ministers, but why do not the English and American people invest their Parliament or their Ministers with autocratic power? Sir, we must take a lesson from this act of the Chief Minister of Madras. I am grateful to the Providence as he has supplied me with this apt example at this moment,—that Mr. Rajagopalachariar, a man of his non-violent nature, was applying the Criminal Law Amendment Act! That example should give a warning to our friends to look upon the Ministers, when they form a Government, as having no common interest with the people. I am to protect my own interest; particularly in financial and economic matters the interests of the Government and those of the people are always inimical,—or else you would not have heard of the fight in England and America about certain taxation. You would not otherwise have heard of the Blum Government disappearing on the question of exchange and other financial questions. These facts indicate that in fiscal matters the Government thinks that the fiscal matter is its own concern, that the money is its, though the Government is of the people; and the people think that these Ministers are exploiting them this way and that, and “They are always vexed by this extortion and that exploitation by the Government”. That is the relation between Government and the people, whether the Government is autocratic or democratic. I think the English Government taxes its people more than any other Government; I am almost sure of that. I know that the highest incidence of taxation is in England, more than on the continent. So, my friends, in this matter, do not depend on your provincial so-called autonomous Governments. What I say is this. You do injustice to these people—the Ministers. Take the responsibility upon yourself, fix the ratio here, fix the rules here, do not make over these difficult and delicate matters into the hands of Ministers in order that they may naturally have the temptation for getting more and more money. That is what I say. I have full faith in the Provincial Ministers and fully appreciate the way they discharge their responsibilities, I know that many of them are people at whose feet I took my political training. I know all that, but I do not believe them in fiscal matters. Therefore, I say: “Do not be cowards. You are responsible men. You decide here. You are so many men here. You come from provinces. You know the ins and outs of the villages. You know where the shoe pinches. You know the condition of the masses. You know the condition of the poor bus drivers who purchase a bus on the hire-purchase system”. Poor fellow, he goes on for two or three years, then, at the end of the three years, he finds that the last instalment falls due; at the end of the third year, he clears off his debt by the sweat of his brow, but he finds that his car is almost gone. The car is useless by that time. This poor fellow, by the sweat of his brow, earns something, goes on paying the regular instalments, and, with the last instalment, he finds that his debts disappear along with the car! My friends, do not impose further burdens on these poor men. Up to this time, he has been saved from being declared an insolvent by anyhow making his two ends meet, but if you apply all these provisions, and especially this compulsory insurance which will do no good to anybody, he will have to take to insolvency. I assure you that you will be doing a great injustice if you burden

[Mr. Suryya Kumar Som.]

these poor fellows with further costs. In that case, at the end of the prescribed period, his car will go, his debt will go, and probably he too will have to go into civil jail. So I am appealing to you on behalf of this class of men—whom I have already described and many of whom you already know. So, gentlemen, I would ask you to consider, all these things. I think I have been able to convince you that we must have motor services in this country and we expect to develop them with the help of the road taxes which are distributed to provinces every year—My Province, Bengal, being one of the biggest provinces, gets about Rs. 17 or 18 lakhs every year—I will not now say how they deal with this money, but I must mention here that it would appear from a speech of a European gentleman in the Bengal Legislative Assembly the other day, and you must have read it, that fully three years' gifts from the Central Government coming to about Rs. 60 lakhs have not been spent in Bengal. No road has been taken up in hand, nothing of the kind has been done, and the money is either lying there or is being used for the upkeep of the police. That is the way the fund is being utilised. Sir, to whom does this money belong? We agitated and agitated, and you take two annas per gallon as the road tax, and I ask you—who pay these two annas? Do not these bus-owners, whose condition I have described to you, pay these taxes? I have to point out that when this is raised from amongst these poor bus-owners, this must be spent for their benefit alone. If you become a little strict and ask questions as to how this money is being spent, then within four or five years the bus service in this country will be highly improved and our road system will also improve and increase. At present we have got 175,000 miles of roads, and the road system in India has not developed to any appreciable extent up to this time. India, which is as big as the whole of Europe except Russia, has got only 269,000 miles of roads whereas a small spot in Europe, called England, has got 178,000 miles of roads. For this mileage of 178,000, England has got 22 lakhs of motor vehicles and cars, whereas you have got for 269,000 miles 171,000 cars only. So, we find that there is much room for the improvement of the road traffic in this country. Most of you know that there is a cry in the country for the marketing of the agricultural produce. How can you market the produce without good transport facilities? There is a cry for cheaper freights from the railways, so that we may be able to carry cheaply the Punjab wheat to Bengal and to other places. But let me tell this House that unless you develop your road traffic, railways cannot reach every nook and corner of the country. If the interior of the country is to be developed, it must be developed by the road system. For the industrial and agricultural development of India, the improvement of the road system is absolutely necessary. I may tell the House that the agricultural population of the country is able to carry its agricultural produce from the most interior parts of the country to the railway stations by means of these buses and yet these ungrateful railway authorities do not appreciate their services and do not realise what these buses are doing for them. I know there is competition between these buses and the railways only in such cases where there are metalled roads running parallel to the railways, such as, between Delhi and Agra, Delhi and Meerut, and so on. But most of the roads through which the buses go are *kutchra* roads and it is with great difficulty that they are able to ply on them in the interior of the country. They do not compete with the railways but help the railways as feeder service. I am sorry that the Railway Member has

not considered that aspect of the question. If some parallel lines exist and there is competition between the railways and the buses, then who is responsible for it? You had no foresight, and we find that day by day Englishmen have lost their foresight all round. You constructed big motorable roads parallel to the railways from Delhi to Agra, Delhi to Meerut, for your own joy-rides but now they have become a danger to one of your pet services, namely, the railways. These metalled roads have attracted the bus owners who have invested their money in their buses in order to earn their livelihood. How ungrateful it is of you now to stop them altogether. Where will these poor men go with their buses? That is very improper on your part. But if you enforce these laws, there are my younger friends who will start Satyagraha against the prohibition of long distance journey. We have already seen the Satyagraha amongst the Calcutta carters, and in the mills. If you prohibit the long distance journey, you will find these bus owners will do the Satyagraha because they have sold all their property in order to purchase one or two buses. If they travel on the road from Delhi to Agra, your regional authority will issue an order to stop it. Is it proper, is it human?

Now, Sir, this was all in connection with the bus-owners. Let me turn now to this pampered and proud child of the bureaucracy. Sir, I must have my option to choose my conveyance. I must have my comforts according to my taste and not be locked in in a third class compartment like sardines. I would prefer to sit with my friends in a car where I can sit comfortably. If I want to go to Agra from Delhi, I can finish the journey in 3 hours by a bus. If I may have a relation there who is seriously ill, if I take a bus I can gain 2 hours or more over your railway. This pampered child of yours takes 6 hours from Kalka to Simla. It is a shameful affair. It crawls like a snake. But if I travel by car, I take only 3 hours to reach Simla from Kalka and I pay only Rs. 2 as the fare.

An Honourable Member : This is not the fare now.

Mr. Suryya Kumar Som : I have often paid Rs. 1-8-0 and sometimes I have also paid as much as Rs. 6 or Rs. 7. It is true that there is no fixed charge. So, it will be observed that the fare of the railway is much more than the motor fare. It is at least double if not more.

Mr. President (The Honourable Sir Abdur Rahim) : Does the Honourable Member wish to conclude his speech or will he like to continue it?

Mr. Suryya Kumar Som : I would like to continue my speech and I will take about one hour more.

The Assembly then adjourned till Eleven of the Clock on Friday, the 26th August, 1938.