

21st November, 1933

# THE LEGISLATIVE ASSEMBLY DEBATES

(OFFICIAL REPORT)

Vol. VIII, 1933

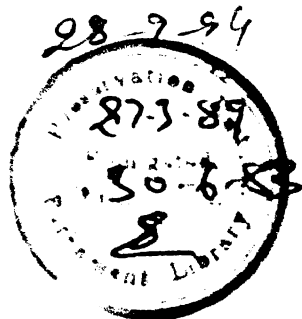
*(20th November to 9th December, 1933)*

## SIXTH SESSION

OF THE

## FOURTH LEGISLATIVE ASSEMBLY

1933



# Legislative Assembly.

*President :*

**THE HONOURABLE SIR SHANMUKHAM CHETTY, K.C.I.E.**

*Deputy President :*

**MR. ABDUL MATIN CHAUDHURY, M.L.A.**

*Panel of Chairmen :*

**MR. H. P. MODY, M.L.A.**

**MR. K. C. NEOGY, M.L.A.**

**SIR LESLIE HUDSON, Kt., M.L.A.**

**SIR ABDULLA-AL-MAMUN SUHRAWARDY, Kt., M.L.A.**

*Secretary :*

**MIAN MUHAMMAD RAFI, BAR.-AT-LAW.**

*Assistant of the Secretary :*

**RAI BAHADUR D. DUTT.**

*Marshal :*

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

*Committee on Public Petitions :*

**MR. ABDUL MATIN CHAUDHURY, M.L.A., Chairman.**

**SIR LESLIE HUDSON, Kt., M.L.A.**

**MR. B. SITARAMARAJU, M.L.A.**

**MR. GAYA PRASAD SINGH, M.L.A.**

**KUNWAR HAJEE ISMAIL ALI KHAN, O.B.E., M.L.A.**

**MESSLAD**

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# LEGISLATIVE ASSEMBLY.

*Tuesday, 21st November, 1933.*

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

## QUESTIONS AND ANSWERS.

### ILLNESS OF MUZAFFAR AHMAD, A PRISONER OF THE MEERUT CONSPIRACY CASE.

1056. \*Mr. S. C. Mitra: (a) Is it a fact that Muzaffar Ahmad, a prisoner of the Meerut Conspiracy Case, is now imprisoned in a jail in the United Provinces?

(b) If so, will Government be pleased to state whether they propose to transfer him to Alipore jail?

(c) Are Government aware that Muzaffar Ahmad is suffering from chronic appendicitis as stated by the Civil Surgeon, Meerut?

The Honourable Sir Harry Haig: (a) and (b). Orders have been issued for the transfer of the prisoner to a jail in Bengal.

(c) I have no information.

Mr. M. Maswood Ahmad: Will Government be pleased to state in which jail he is now confined?

The Honourable Sir Harry Haig: No, Sir; I do not think I am concerned to give that information. This, after all, is the case of a prisoner who is confined in a provincial jail, and I consider that it is a provincial matter.

Mr. M. Maswood Ahmad: Are Government aware if any facilities were given to him for medical examination with regard to his appendicitis?

The Honourable Sir Harry Haig: No, Sir; I have no information on that point.

### PAWINDAH TRADERS OF KHURASAN DOING BUSINESS IN BENGAL AND BIHAR AND ORISSA.

1057. \*Bhai Parma Hand: (a) Are Government aware that Pawindahs, inhabitants of Khurasan (Afghanistan), have been coming to India in large numbers via Dera Ismail Khan for over 60 years now for the purpose of trade?

(b) Are Government aware that leaving their homes almost empty-handed, they borrowed money from a number of Hindu firms and that, with that capital in their hands, their trade consisted of buying cloth in the cities and selling it to the simple villagers in Bengal, Bihar and Orissa on credit at very high prices and that they then toured round after a fixed period of three or six months, realised the price by the exercise of force and threats, returned with large sums of money, paid off their debts at Dera Ismail Khan and took their profits back to their homes?

(c) Are Government aware that having gained the confidence of the above firms they could borrow from them thousands of rupees and assume the position of rich merchants in their country?

(d) Are Government aware that for the last three or four years anti-Hindu agitation has gained ground in the North-West Frontier Province and that as a result these Pawindahs have been induced not to pay back their debts to the Hindus which, involving these firms in a loss of nearly 40 lakhs of rupees, has completely ruined them?

(e) Are Government further aware that the Afghan Consul, by delaying the issue of passports, has helped the escape of the Pawindahs and kept off these firms from suing them in the Courts at Kabul? Are Government aware that the withdrawal of section 8, Frontier Crimes Regulation, by Government has been another source of encouragement to them?

(f) Under the circumstances, will Government be pleased to say if they are prepared to help the ruined firms and communicate with the Government of Afghanistan to provide facilities for the realisation of their debts?

**Mr. H. A. F. Metcalfe:** (a) Yes.

(b) Government are aware that it has been customary for some Pawindahs to trade in cloth in various parts of India with capital borrowed from Hindu bankers in the North-West Frontier Province and that there have been some complaints of the manner in which the Pawindahs realise their dues from villagers.

(c) Yes.

(d) Government are not aware that the cause assigned by the Honourable Member has led to the result suggested, but it is true that the Pawindah trade has been seriously affected by a variety of causes, one of which is the economic depression, with the result that there has been a deterioration in the traditional relations between Pawindahs and their bankers in Dera Ismail Khan.

(e) No. On the contrary Government understand that it would not have been in the interests of the firms to institute suits in the courts at Kabul. Section 8 of the Frontier Crimes Regulation has not been suspended so far as disputes between Hindu bankers and Pawindahs are concerned.

(f) The firms can invoke the assistance of the civil courts of India in the ordinary way but Government will consider any request for assistance in realising their debts which the firms may make. They cannot, however, undertake to assist them in any particular way.

**Mr. M. Maswood Ahmad:** Are Government aware that these sellers have given cloths to the Hindu purchasers and that now they are not paying them the money which they ought to pay to these sellers?

**Mr. H. A. F. Metcalfe:** The Honourable Member's question is a little confused, Who is it that has sold and who is it that is to receive payment?

**Mr. M. Maswood Ahmad:** The Afghan Kabulis are the sellers and the Hindus in Bihar and Bengal are the purchasers.

**Mr. H. A. F. Metcalfe:** Surely it is for the purchasers to pay the sellers. What is the Honourable Member complaining about?

**Mr. M. Maswood Ahmad:** My complaint is that the purchasers are not paying the price for the cloth which they purchased on credit from these Kabulis; are Government prepared to help these Kabulis as well to realise their money from the Hindu purchasers?

**Mr. H. A. F. Metcalfe:** I have already stated that the Pawindahs can, if they wish, appeal to the Frontier Crimes Regulation so far as people with whom they deal in Dera Ismail Khan are concerned. So far as purchasers in Bengal and other provinces are concerned, they can apply to the ordinary courts if they wish to do so.

**Mr. M. Maswood Ahmad:** Is it a fact that Government are ready to help those who have advanced money to these Kabulis at the Frontier Province?

**Mr. H. A. F. Metcalfe:** The only assistance that Government can give is in permitting cases to be taken under section 8 of the Frontier Crimes Regulation if they consider it expedient to do so.

**Mr. M. Maswood Ahmad:** And if these Kabulis apply to Government are they prepared to help them as well?

**Mr. H. A. F. Metcalfe:** They are certainly prepared to help them by the use of section 8 if that also appears to be expedient.

**Mr. Lalchand Navarai:** Has any attempt been made to use section 8 of the Regulation with regard to these transactions up to now?

**Mr. H. A. F. Metcalfe:** I am not aware, but there certainly used to be. When I was in Dera Ismail Khan as Deputy Commissioner, section 8 was frequently used and, I think, it must be still used.

**Mr. Lalchand Navarai:** Has this question been fully investigated by the Foreign Department?

**Mr. H. A. F. Metcalfe:** A report had been called for from the Local Administration and the results of that report are contained in the reply which I have already given to the main question.

**Mr. Lalchand Navarai:** Will that report be placed on the table?

**Mr. H. A. F. Metcalfe:** No, Sir.

**Mr. Lalchand Navarai:** Why not?

**Mr. H. A. F. Metcalfe:** Because the substance of the report has already been communicated to the House.

**Bhai Parma Nand:** May I know if Government have received any representation from this Association of Dera Ismail Khan, and, if so, whether Government have taken any action on it?

**Mr. H. A. F. Metcalfe:** So far as I know, no representations have been received. If they were sent at all, they would have been sent presumably to the Local Government whom it primarily concerns.

#### PRECEDENCE GIVEN TO CERTAIN ARMY OFFICERS.

1058. **\*Captain Sher Muhammad Khan Gakhar:** (a) How will precedence be given to the following officers:

- (i) officers holding commissions in the Indian Army Reserve of Officers;
- (ii) officers of the Auxiliary Force in India;
- (iii) officers of the Indian Territorial Force;
- (iv) officers of the Indian Land Forces;
- (v) officers granted honorary commissions in His Majesty's Forces?

(b) Are officers holding honorary ranks in the Army entitled to write substantive rank against their names on visiting cards and in official correspondence?

(c) If the answer to part (b) be in the negative, will Government be pleased to state if they are aware that most of these officers have dropped the word "honorary" and are using the substantive rank with their names?

(d) Are Government prepared to take any action to stop this breach of rules and regulations and of the Warrant of Precedence in India, by warning these officers, issuing a circular letter direct to them or through the civil authorities?

**Mr. G. E. F. Tottenham:** (a) The precedence amongst themselves of officers of categories (i), (ii), (iii), (iv) and (v) is governed by their rank and the date of their promotion to that rank, irrespective of the nature of their commissions.

(b) There are no rules on the subject so far as the army is concerned.

(c) and (d) Do not arise.

#### RULES FOR WITHHOLDING INCREMENTS IN THE POSTS AND TELEGRAPHS DEPARTMENT.

1059. **\*Pandit Satyendra Nath Sen:** (a) Will Government be pleased to state the rules under which increments of an official can be withheld in the Posts and Telegraphs Department?

(b) Will Government please state if arrears of withheld increments are paid to the staff, if the appellate authorities decide that there was no good ground for withholding the increment? If not, why not?

**The Honourable Sir Frank Moyce.** (a) It is difficult to state all the rules on the subject in reply to a question. The general rules are those in Fundamental Rules 24 and 25, in rule 49 of the Classification, Control and Appeal Rules, and in statutory rules 8 and 9 reproduced in the Director General's General Circular No. 25, dated the 29th August, 1932,

copies of which are in the Library of this House. There are also certain subsidiary and departmental rules under which increments of certain classes of Posts and Telegraphs employees can be withheld in certain eventualities.

(b) The matter would be one for the appellate authority to decide on the merits of individual cases and under the relevant rules.

**PROPOSAL FOR THE SEPARATION OF THE REVENUES AND ACCOUNTS OF THE POSTAL AND TELEGRAPH BRANCHES.**

1060. \*Pandit Satyendra Nath Sen: Is it a fact that a proposal for separating the revenues and accounts of the Postal and Telegraph branches of the Indian Posts and Telegraphs Department is under the consideration of Government?

The Honourable Sir Frank Noyce: As stated by Sir Thomas Ryan during the Budget debates in this House, on the 10th March, 1933, the question of the introduction of separate stamps for telegraph purpose has been under the consideration of Government. In view, however, of the fact that the existing method of computation of the receipts from the sale of postage stamps between postal and telegraph branches was found to be sufficiently accurate for all practical purposes, and as it appeared unquestionable that the expense and inconvenience that would be caused by the adoption of the measure would be incommensurate with the advantage gained, the proposal was dropped.

**DUTIES OF THE ENGINEERING BRANCH OF THE POSTS AND TELEGRAPHS DEPARTMENT.**

1061. \*Pandit Satyendra Nath Sen: Is it not a fact that the primary duty of the Engineering Branch of the Posts and Telegraphs Department is to build and maintain the lines and apparatus, etc., of Government?

The Honourable Sir Frank Noyce: The reply is in the affirmative.

**MANAGEMENT OF THE COMBINED POST OFFICES AND TELEPHONE OFFICES.**

1062. \*Pandit Satyendra Nath Sen: (a) Will Government please state whether the management of the combined post offices and telephone offices is proposed to be handed over to the Traffic Branch of the Department as distinct from the Engineering and the Postal Branches?

(b) Is it a fact that the Traffic Branch of the Posts and Telegraphs Department has been entrusted with the work of conducting the telegraph traffic of the country and that it has no control over the Engineering Branch and that the latter works independently without due consideration to the requirements of the traffic of the country?

(c) Have Government undertaken, or do they propose to undertake, any enquiry as to the prevalent practices in the continental countries? If so, what are they?

The Honourable Sir Frank Noyce: (a) No such proposal is under the consideration of Government.

(b) No. The Head of the Circle controls and co-ordinates the activities of both branches.

(c) The reply is in the negative.

**ARTICLE ENTITLED "IS EFFICIENCY AT STAKE" IN THE TELEGRAPH REVIEW.**

1063. \***Pandit Satyendra Nath Sen:** Has the attention of Government been drawn to page 253 of the *Telegraph Review* of July, 1933, under the title "Is Efficiency at stake"?

**The Honourable Sir Frank Noyce:** Government have seen the article.

**RECRUITMENT OF INDIANS AS GENERAL SERVICE TELEGRAPHISTS.**

1064. \***Pandit Satyendra Nath Sen:** (a) With reference to my question No. 43 in the last Session of this House, will Government please state how many institutions Government were pledged to for the direct recruitment of Indians only to the General Service of the Telegraph Department?

(b) Is it a fact that Government are considering the various recommendations of the Inchcape Committee, Posts and Telegraphs Accounts Enquiry Committee and the Posts and Telegraphs Retrenchment Advisory Committee in respect of abolishing the General Service?

(c) If the answer to part (b) be in the affirmative, will Government please state whether the reply to my question No. 41 in the last Session of this House was taken into consideration?

(d) If the answer to part (c) be in the negative, will Government please state:

- (i) the reasons for rejecting the recommendations of the Committees;
- (ii) the proportion of the General Service to other service or services;
- (iii) the process of recruitment to the General Service, and
- (iv) whether the Station Service Telegraphists would be taken to the General Service, and, if so, to what extent?

**The Honourable Sir Frank Noyce:** (a) To none.

(b) Government are unable to trace any recommendation of the Inchcape Committee in respect of the abolition of the General Service. As regards the recommendations of the other two Committees Government considered them and have accepted, in principle, the introduction of a provincialised or circle service in place of the existing services.

(c) No. The Government decision just referred to had already been taken.

(d) (i) Does not arise in view of the reply to part (b).

(ii) 3:3:1.

(iii) There has been no recruitment since 1929-30.

(iv) The Honourable Member is referred to the reply to part (a) of his own unstarred question No. 42 in this House on the 25th February, 1933.

**PROTECTION TO THE SILK INDUSTRY IN INDIA.**

1065. \***Mr. S. C. Mitra:** (a) Is it a fact that the Co-operative Silk Union, Malda, and the official President of that Union applied for protection by the imposition of heavy import duty on foreign silk yarn and silk cloths?

(b) Is it a fact that they applied for the Government bounty to the silk industry in India?

(c) Is it a fact that the representatives of the silk industries of Murshidabad also requested for the above remedies from the Tariff Board to cope against foreign dumping?

(d) Is it a fact that the Tariff Board inspected the centres of the silk industry in Bengal and other places?

(e) If the answers to the preceding parts are in the affirmative, will Government be pleased to state whether the Tariff Board submitted its report on the subject to the Government of India, and what was the action taken by them on such report?

**The Honourable Sir Joseph Bhore:** (a) to (c). Government have no information in the matter. Presumably the Honourable Member is referring to representations made directly to the Tariff Board in the course of their last enquiry in regard to the grant of protection to the Sericultural Industry.

(d) Yes.

(e) The Board's Report has been received and is under consideration.

**Mr. S. C. Mitra:** When may the House expect to get the Board's report?

**The Honourable Sir Joseph Bhore:** I hope to be in a position during the next Session to place the conclusions of Government before the House.

**Mr. M. Maswood Ahmad:** Will Government be pleased to state whether one of the real causes of this dumping is the depreciation of the currency of the country which sends the goods?

**The Honourable Sir Joseph Bhore:** I am afraid I am quite unable to follow my Honourable friend.

**Mr. M. Maswood Ahmad:** Is it a fact that the real cause of dumping these goods in India is the depreciated currency of the country which sends these goods?

**The Honourable Sir Joseph Bhore:** I am afraid I must ask my Honourable friend to read the Tariff Board's report when it is published, and he will then no doubt find a statement of the causes as ascertained by the Board.

**EMPLOYMENT OF LADIES IN THE GOVERNMENT OF INDIA OFFICES.**

1066. \***Mr. S. C. Mitra:** (a) Is it a fact that the nine posts reserved for employment of ladies by the Public Service Commission at its next examination for clerical recruitment are meant for European and Anglo-Indian ladies? Are such posts reserved only in the Army Headquarters or in the Civil Secretariat and its attached offices as well? If so, will Government be pleased to state the reasons why these nine posts are reserved only for European and Anglo-Indian ladies?

(b) Will Government be pleased to state whether any proportion of these nine posts for ladies is reserved for Indian ladies? If so, what is the proportion of such posts reserved for Indian ladies?

(c) Will Government be pleased to state whether Indian ladies are also eligible for these reserved posts? If so, what steps have Government taken to circulate the news? If no steps have been taken for the wide circulation of this news, do Government propose to take steps for such advertisements? If not, why not?

(d) Are Government aware that by reserving such a large number of posts for European and Anglo-Indian ladies they are indirectly increasing the representation of the European and Anglo-Indian communities in the clerical services above the proportion to which they are otherwise entitled? If not, will they be pleased to state the percentage of posts that the Anglo-Indian and Europeans would get by such reservation of posts for ladies?

**Mr. G. R. F. Tottenham:** (a) No. The vacancies are open to Indian as well as European or Anglo-Indian ladies.

(b) No proportion of the posts has been reserved for any particular community.

(c) This fact should have been clear from the advertisement issued by the Public Service Commission, but if any further publicity is necessary I hope that the present question and answer will serve the purpose.

(d) Does not arise in view of the answers to parts (a) and (b).

**MARRIED LADIES EMPLOYED IN THE GOVERNMENT OF INDIA OFFICES.**

1067. \***Mr. S. C. Mitra:** (a) Is it a fact that Government have framed a rule that married ladies would not be entitled to employment as clerks or in any other Government employments?

(b) Will Government be pleased to state the number of married ladies employed in the Government of India Headquarters Departments and offices and also in each of the different Railways and in the Posts and Telegraphs Department as a whole?

**The Honourable Sir Harry Haig:** (a) The employment of married ladies has been prohibited only in the Army and Royal Air Force Headquarters offices and in certain branches of the Posts and Telegraphs Department.

(b) Information in regard to the number of married ladies employed in the Posts and Telegraphs Department and the Government of India Secretariat and Attached Offices at headquarters is being collected and will be laid on the table in due course. I regret that the collection of similar information in respect of the railway services would involve an expenditure of time and trouble that would not be justified.



**NON-CONFIRMATION OF CERTAIN CLERKS WORKING IN CERTAIN  
GOVERNMENT OF INDIA OFFICES.**

1069. **\*Rai Bahadur Sukhraj Roy:** (a) Will Government be pleased to state whether it is a fact that there are certain Routine Division clerks working in the Army Headquarters, Royal Air Force, Secretariat and Attached Offices, who qualified in the examination held by the Public Service Commission in February, 1931, and who have not so far been confirmed, although their period of probation has long since expired?

(b) Is it a fact that no indication whatsoever was given to the candidates at the time of holding the 1931 examination that the grades were liable to revision?

(c) Is it a fact that no such indication was given to most of these clerks even at the time of appointment?

(d) Is it a fact that more than half the number of accepted candidates have already been confirmed in the present scales of pay either because they joined before the date of the embargo or because they were already in Government service? If so, what steps do Government propose to take to prevent differential treatment being meted out to the unconfirmed clerks who passed the same examination?

(e) Is it a fact that in some cases appointments were not made strictly on merit and people, with higher positions, were offered jobs later than those with lower positions? If so, why?

**The Honourable Sir Harry Haig:** (a) to (d). The answer to clause (a) is in the affirmative. Pending completion of the review of the expenditure of the Government of India which was then proceeding, it was decided in July, 1931, that all appointments to posts, whether permanent or temporary, made on or after the 16th July, 1931, of persons not in Government service on the 15th July, 1931, were to be made in an officiating capacity. This decision was published in the Finance Department Resolution of the 9th July, 1931, of which a copy is available in the Library. Of the candidates who secured appointments on the results of the examination held by the Public Service Commission in February, 1931, those who were either in service previously or secured posts before the 16th July, 1931, have been confirmed on the old scales of pay. In regard to those who secured posts after the 15th July, 1931, the question whether they should be brought on the old or new rates of pay has now been settled. As they were not warned about the revision of the rates of pay at the time of the examination, it has been decided by the orders contained in the Revised Rates of Pay Rules that they are entitled to the old rates of pay. The embargo on confirmation has also been removed in the case of posts or services for which revised rates of pay have been published.

(e) Candidates were allotted to the various offices in strict order of merit, but were offered vacancies as the necessary information regarding the dates on which they were required to join became available.

**PROTECTION TO THE COTTON HOSIERY INDUSTRY.**

1069. **\*Mr. J. Ramsay Scott:** (a) With reference to the reply to parts (f) and (g) of my starred question No. 1418 of 23rd November, 1932, that the Tariff Board's own recommendation was "No justification has been established for the special treatment of the hosiery industry", have Government decided that the hosiery industry should be given no protection?

(b) In view of Government's reply that a single sentence is likely to be misleading, is it not the Tariff Board's recommendation that no justification has been established for the special treatment of the hosiery industry and that it should be treated in no way differently from piece goods?

(c) If the reply to part (a) be in the affirmative, have they asked the President of the Tariff Board as to the exact intentions of the Tariff Board? If not, why not, and do they propose to do so now?

**The Honourable Sir Joseph Bhoré:** (a) No, Sir.

(b) What the Tariff Board said in their Report of January, 1927, was that no justification had been established for the special treatment of the hosiery industry and that they were unable to recommend that hosiery should be treated in any way differently from piece-goods.

(c) Does not arise.

#### PROTECTION TO THE COTTON HOSIERY INDUSTRY.

1070. **\*Mr. J. Ramsay Scott:** (a) With reference to the reply to parts (h) and (i) of my question No. 1413 of 23rd November, 1932, that "the Government of India have received representations that the hosiery industry was suffering from intensive competition due to depreciated currencies and that it was understood that representations had been made to the Tariff Board. These representations have presumably received attention and the recommendations of the Board will receive the consideration of the Government of India", will Government be pleased to state whether the representations of the hosiery industry have received the attention of the Tariff Board?

(b) Have the Tariff Board made a recommendation to the Government of India?

(c) When was the recommendation received by Government?

(d) Have the recommendations of the Tariff Board received the consideration of Government?

(e) Will Government please state when their consideration will be completed and when orders will be issued?

(f) Is it a fact that the Tariff Board have recommended that hosiery should be protected to the same degree as cotton piece goods or in a degree more than it is at present? If so, did Government bear this in mind during the Indo-Japanese negotiations?

**The Honourable Sir Joseph Bhoré:** (a), (b), (c), (d) and (f). The Government of India are not prepared to disclose the contents of the Tariff Board's Report before its publication.

(e) The proposals of the Government of India on the Tariff Board's Report will be placed before the Legislature in time to permit of a final decision before the expiry of the existing period of protection.

#### DEPUTATION OF HOSIERY MANUFACTURERS TO GOVERNMENT.

1071. **\*Mr. J. Ramsay Scott:** Did Government receive a deputation from the hosiery manufacturers of India during the last session in Delhi?

**The Honourable Sir Joseph Bhoré:** Yes, Sir.

**HOSIERY INDUSTRY OF INDIA.**

1072. \***Mr. J. Ramsay Scott:** (a) Are Government in a position to give the number of men employed in the hosiery industry (i) in mills, (ii) in the industry?

(b) Can Government give any figure of the amount of (i) Indian cotton yarn, and (ii) Indian cotton consumed by the hosiery industry?

(c) Can Government state the relation the output of the whole industry bears to imports?

(d) Will Government please give the figures for imports of cotton hosiery for the last year, giving figures up to the end of July or August, if possible (i) from all countries, and (ii) from Japan?

**The Honourable Sir Joseph Bhore:** (a) The average number of persons employed daily in hosiery factories in British India which come under the operation of Indian Factories Act was 2,442, 2,573 and 3,169 in 1930, 1931 and 1932, respectively. No further information is available.

(b) The information is not available.

(c) The production of cotton hosiery in Indian mills, as given in the monthly statistics of cotton spinning and weaving, is as follows:

	Doz.
1930-31 . . . . .	499,683
1931-32 . . . . .	622,659
1932-33 . . . . .	746,341

On the average the production is about 23 per cent. of the total imports.

(d) I lay on the table a statement giving the required information.

*Statements showing imports of cotton hosiery during 1932-33 and in the five months April to August, 1933.*

(i) Socks and Stockings.

		From all countries.		From Japan.	
		Quantity.	Value.	Quantity.	Value.
		Doz. pairs.	Rs.	Doz. pairs.	Rs.
1932-33 . . . . .		1,070,906	12,03,473	807,235	8,18,174
Five months April to August, 1933 . . . . .		370,682	3,94,510	339,991	3,28,795

(ii) Underwear.

		Doz.	Rs.	Doz.	Rs.
1932-33 . . . . .		2,626,262	52,81,663	2,589,698	51,28,120
Five months April to August, 1933 . . . . .		1,364,219	26,80,171	1,350,604	26,12,107

(iii) Other sorts.

		Rs.	Rs.
1932-33 . . . . .		2,55,829	1,76,399
Five months April to August, 1933 . . . . .		3,70,355	3,07,958

## ACQUISITION OF THE MAHA-BODHI SITE AT BUDDHA-GAYA.

1073. \***U Ba Maung:** (a) Will Government be pleased to state if it is a fact that the tomb of Asaf Khan, brother of Noor Jehan and brother-in-law of Emperor Jehangir, and the surrounding land in Shahdra, a suburb of Lahore, were acquired by the Punjab Government?

(b) If so, will Government be pleased to state (i) the reasons which led the Punjab Government to acquire the tomb and the surrounding land, (ii) the public purposes for which they were acquired, and (iii) who bore the cost of the acquisition?

(c) Are Government aware that the Maha-bodhi site at Buddha-Gaya, where Buddha, "the Light of Asia", attained supreme enlightenment, possesses not only historical but also antiquarian and archæological interest and is revered by millions of Buddhists all over the world? If so, have Government considered whether this site could be similarly acquired by Government from the Mahant in charge and thrown open to them as Jerusalem is open to all Christians? If not, why not?

**Mr. G. S. Bajpai:** (a) and (b). The tomb was Government property and was declared a protected monument in 1911. The compound and the wall surrounding it were acquired from a private owner with a view to effecting necessary improvements to the monument as a whole and the cost of acquisition was borne by the Archæological Department.

(c) The Maha-bodhi temple at Bodh-Gaya is used for daily worship. Its acquisition, therefore, is barred by section 10 (2) (a) of the Ancient Monuments Preservation Act, 1904.

**Mr. Lachand Navahrai:** May I know from the Honourable Member if this *Mahant* really puts some obstacles in the way of worship?

**Mr. G. S. Bajpai:** Not so far as I am aware, Sir.

## CONVERSION OF THE POST OF ACCOUNTANT, POONA HEAD POST OFFICE, INTO A TIME-SCALE APPOINTMENT.

1074. \***Sardar G. N. Mujumdar:** (a) Is it a fact that the post of the accountant, Poona Head Post Office, has been converted into a time-scale appointment from that of a selection grade appointment, as a retrenchment measure, on the grounds that the number of clerks working in the accounts branch of the Poona Head Office does not justify a selection grade appointment?

(b) Is it also a fact that the appointment of the accountant, Poona Head Post Office, was raised to a selection grade one on the recommendations of Rai Bahadur Ganguli, who was placed on special duty, for improvement in the Post Office work, on administrative grounds, irrespective of the number of clerks working in the Accounts Branch?

(c) If the answers to parts (a) and (b) be in the affirmative, is it the intention of Government to restore the appointment of the selection grade? Is it a fact that since then a few more duties have been delegated to the accountant and that in other first class Head Offices in 700—25—800 grade (as the Poona Head Post Office is) the post of the accountant is in the selection grade?

**The Honourable Sir Frank Noyce:** (a) No. The reduction in the pay of the post in question was not made as a measure of retrenchment but in accordance with the standards laid down in the Bewoor Time Tests, 1930, and in the Director General's general orders issued in January, 1932.

(b) Yes, in 1928 when there were no standards for regulating the staff in the accounts branch of a head post office or the pay of the Accountant.

(c) The reply to the first part is in the negative. As regards the second part, Government have no information regarding the precise duties assigned to the Accountant in the Poona head post office, as this is a matter which is within the competence of the Head of the Postal Circle concerned. Of the head post offices at Delhi, Lahore, Poona and Karachi which are in charge of Postmasters on Rs. 700—800, only Karachi has now a selection grade post of Accountant, as it is justified by the standards referred to in the reply to part (a) above.

#### COUNTING OF SERVICES ON PROBATION OF POSTAL CLERKS FOR INCREMENTS.

1075. **\*Sardar G. N. Mujumdar:** (a) Is it a fact that Fundamental Rule 26 permits all duty in a post on time-scale to count for increment in that time-scale?

(b) Is it a fact that under Fundamental Rule 6-A (1) service as a probationer is duty, provided that such service is followed by confirmation?

(c) Is it a fact that Government have issued orders on the 12th September, 1932, that on confirmation Post Office clerks will be allowed to count for increment their service on probation not exceeding 12 months prior to the date of their passing the departmental examination and that these orders will apply to all existing and future probationary clerks?

(d) Is it a fact that these orders have been made applicable to all existing clerks on probation on the 12th September, 1932, in spite of the fact that they were recruited under condition of services laid down in Fundamental Rules 26 and 6-A (1), which allow all service in a time-scale to count for increment in the same time-scale?

(e) If the answer to part (b) be in the affirmative, will Government be pleased to state the general principles which justify changes in the conditions of service of Government servants after their first appointment in the Department?

(f) Is it a fact that the general principles apply alike to all Government servants, gazetted and non-gazetted, Imperial services, etc.? If not, why not?

(g) Do Government recognize the well established principles that changes affecting conditions of services regarding pay, leave and pensions of Government servants apply only to new entrants and to existing servants only on their option? If so, will they be pleased to state the reasons why this principle has not been observed in the case of post office clerks on probation?

**The Honourable Sir Frank Noyce:** (a) and (b). The general position under Fundamental Rule 26 and Fundamental Rule 9 (b) (i), not Fundamental Rule 6-A (1) as quoted by the Honourable Member, is as stated in the question. There are however also certain subsidiary rules peculiar to the Posts and Telegraphs Department.

(c) Yes.

(d) The reply to the first part is in the affirmative. As regards the second part, the fact is not as presumed by the Honourable Member. All the clerks in the Post Office who were on probation on the 12th September, 1932, had been recruited on the distinct condition that if they failed to pass the confirmation examination, the period of their probationary service between the date of failure at the examination and the date of passing it subsequently would not count for increment. I may, however, state, that various matters relating to the orders of the 12th September, 1932, referred to in part (c) are at present under examination.

(e), (f) and (g). Do not arise in view of the reply given to part (d).

**WITHHOLDING OF INCREMENTS BY THE ACCOUNTANT-GENERAL, POSTS  
AND TELEGRAPHS, OF RESERVE CLERKS IN THE BOMBAY POSTAL  
CIRCLE.**

1076. **\*Sardar G. N. Mujumdar:** (a) Is it a fact that the Accountant-General, Posts and Telegraphs has withheld increments in the Bombay Circle of reserve clerks failing in the confirmation examination for the first time and passing in a subsequent examination? Is it a fact that some of them have completed three years service by this time and were confirmed in the Department a year before?

(b) Is it a fact that the question is under consideration of the Government of India since March, 1931?

(c) If the answers to parts (a) and (b) be in the affirmative, will Government kindly state what will be the probable period required for issuing their final orders, as it is by this time more than two years that they are considering the matter?

**The Honourable Sir Frank Noyce:** (a) and (b). The facts are substantially as stated by the Honourable Member. In this connection his attention is invited to the reply to Mr. Uppi Saheb Bahadur's starred question No. 725 in this House on the 13th March, 1933.

(c) Government expect that a decision will be reached before long.

**CONSTRUCTION OF THE WILLINGTON BRIDGE AT BALLI. EAST INDIAN  
RAILWAY.**

1077. **\*Mr. S. C. Mitra:** (a) Will Government be pleased to state the actual cost of construction of the Willington Bridge at Balli, East Indian Railway?

(b) Will Government be pleased to state the reasons for which this bridge was constructed at such a heavy cost?

(c) Is it a fact that the bridge was constructed to divert important mail and goods trains of the East Indian Railway to Sealdah? If so, how many of such trains do now pass over this bridge?

(d) Is it a fact that one end of the bridge has already begun to sink? If so, has the passing of trains over the bridge been stopped for this reason?

(e) Will Government be pleased to state whether the sinking is due to defective construction? If not, what are the reasons?

(f) Will Government please state whether the Engineer in charge of this construction has been asked to explain the reason for such sinking? If not, why not?

(g) Will Government please state the date of the beginning and completion of the said bridge?

**Mr. P. B. Rau:** (a) The total cost of the construction of the Calcutta Chord Railway, of which the Willingdon Bridge forms a part, is estimated to be Rs. 854.59 lakhs, of which the Government of Bengal are contributing Rs. 84.62 lakhs towards the cost of the roadways and footpaths.

(b) and (c). The main objects of the new chord connection, which involved the construction of the bridge, were as follows: Firstly, to avoid having to construct works, such as the quadrupling of the Ondal-Khana section and the Howrah Burdwan Chord, and the strengthening of the Jubilee Bridge at Naihati, which would to a large extent be thrown out of use by the construction of the Chord line and bridge, if carried out at a later date. Secondly, to have an alternative means of communication for East Indian Railway stations with the docks and Calcutta instead of being entirely dependent on a single line of communication over the Jubilee Bridge at Naihati. Thirdly, to speed up the coal traffic to the docks, as strongly recommended by the Coal Committee.

The average number of goods trains which ran daily over the bridge during the three months prior to the closing of the Calcutta chord route during the last monsoon was 7 Up and 6 Down trains, making a daily total of 13.

(d), (e) and (f). No part of the bridge itself has begun to sink, but there have been, from time to time sinking of the track and slips in the embankment on the approaches to the bridge, which have been caused by heavy and continuous rainfall on the earth banks, due to the fact that they have not yet had time to consolidate properly. As such defects develop in similar circumstances even on railways that have long been in existence, it is not surprising that there has been such trouble in the case of the Calcutta Chord Railway, especially as the approach banks are of considerable height and the local earth, of which they are made, is not of very good quality. Consequently it has not been considered necessary to get an explanation from the Engineer in charge of construction.

(g) The project was sanctioned in September, 1925, and the construction of the bridge was started about the middle of 1927. The new chord line was opened to goods trains on the 1st February, 1932.

**Dr. Ziauddin Ahmad:** Did not the Government realise from their experience before that the ground near about Calcutta was not very safe? Why did they attempt to spend such a big sum of Rs. 354 lakhs without making sufficient inquiries beforehand when they had sufficient previous experience?

**Mr. P. B. Rau:** I have given the reasons for the construction in my reply to the main question.

**Mr. S. O. Mitra:** I could not follow the Honourable Member in his answer: he was going very hurriedly. Do I take it that there is no passenger train or express train or mail train running over the bridge? Is it a fact or is it being used only for goods trains? If so, why?

**Mr. P. B. Rau:** I think the fact is that when the construction was sanctioned, it was expected that a larger number of trains would have to

be run over the bridge: but, on account of the fall in general traffic, there has not been any necessity to run such a large number of trains over the bridge.

**Mr. S. C. Mitra:** It seems that the Honourable Member is not certain, because he says "he thinks"; but may the House know for certain why, on this bridge, costing nearly three crores and odd, the original plan of running some express and mail trains has not been adhered to?

**Mr. P. R. Rau:** Because it is not necessary. The traffic does not necessitate the running of a large number of trains over this particular chord: the main line is mostly sufficient for this purpose.

**Mr. S. C. Mitra:** May we take it from the Honourable Member that it is not due to any defect in the bridge itself that express and mail trains are not now running over it, because he may have to accept subsequently that it is due to the same reason I have given. I desire a categorical answer.

**Mr. P. R. Rau:** My information is that the small number of trains that run over this bridge at present is due to the slack traffic, but, as I pointed out in my reply, the Chord route has been closed since the last monsoon.

**Mr. S. C. Mitra:** Is it a fact that one or two passenger trains passed over the bridge when it was found that it was not fit for heavy traffic and that thereafter the running of mail and express trains over the bridge ceased?

**Mr. P. R. Rau:** I am not aware of that, but I shall get the information for my Honourable friend if he desires.

**Mr. S. C. Mitra:** I shall be glad to have it.

**Mr. B. V. Jadhav:** Is it not a fact that a chord line is built in order to shorten the distance?

**Mr. P. R. Rau:** And sometimes as an alternative route.

**Mr. B. V. Jadhav:** May I know why this chord was constructed?

**Mr. P. R. Rau:** I have given reply in full in my answer to the main question: I gave three reasons, and one of them was to have an alternative means of communication for the East Indian Railway stations with the docks and Calcutta.

**Dr. Ziauddin Ahmad:** I did not follow the answer to part (c)—whether the sinking is due to defective construction.

**Mr. P. R. Rau:** No.

**Dr. Ziauddin Ahmad:** It is admitted that there has been sinking?



**Mr. P. B. Rau:** Yes: I said that there has been sinking in this particular case as has been the case with practically every construction.

**Dr. Ziauddin Ahmad:** Does the Honourable Member mean to say that every building in the whole of India is now sinking?

**Mr. P. B. Rau:** I think, Sir, I had better repeat my reply: I said:

"No part of the bridge itself has begun to sink, but there have been from time to time sinking of the truck and slips in the embankment on the approaches to the bridge, which have been caused by heavy and continuous rainfall on the earthbanks due to the fact that they have not yet had time to consolidate properly. As such defects develop in similar circumstances even on railways that have long been in existence, it is not surprising that there has been such trouble in the case of the Calcutta chord railway, especially as the approach banks are of considerable height and the local earth, of which they are made, is not of very good quality."

**Dr. Ziauddin Ahmad:** Were not all these things foreseen before final sanction was given to the scheme? The Railway Board knew the condition of the ground, and these things should have been foreseen. Why did they not do it? I want an answer.

**Mr. P. B. Rau:** So far as I am aware, Sir, these are matters of ordinary occurrence in railway lines before consolidation.

**Mr. S. C. Mitra:** Which cannot be provided against, is that so?

**Mr. P. B. Rau:** Quite so.

**Dr. Ziauddin Ahmad:** Do you admit that these 2½ crores of rupees have been wasted for the purpose of an experiment?

(No reply.)

#### RUNNING OF CERTAIN ENGINES OVER THE RAILS IN CERTAIN DIVISIONS OF THE EAST INDIAN RAILWAY.

1078. **\*Mr. S. C. Mitra:** (a) Is it a fact that the rails between Moghalsarai and Howrah are over 90 lbs. and in some places over 115 lbs.?

(b) Is it a fact that the replacement of rails by 115 lbs. and above is due to the heavy XB and XC engines?

(c) Is it a fact that the XC, XD and XE engines are not allowed to run over the rails in the Howrah, Allahabad, Lucknow and Moradabad Divisions of the East Indian Railway? If so, will Government please state the reasons for such prohibition?

**Mr. P. B. Rau:** (a) 115 lbs. and 90 lbs. rails have been adopted as the standard sections for the main lines of the East Indian Railway. No rails heavier than 115 lbs. have been laid on this Railway.

(b) No. Both form part of the same scheme to increase efficiency and reduce expenditure of operation by the introduction of heavier train loads necessitating heavier locomotives and heavier rails.

(c) No. XC, XD and XE class can run over the main line of the Howrah, Allahabad, Lucknow and Moradabad Divisions subject to restrictions of speed over certain sections where the old sections of rail lighter than 90 lbs. and 115 lbs. are still in the track.

**Mr. S. C. Mitra:** Is not the Honourable Member aware that during the last twelve months there have been more than three accidents in this part of the East Indian Railway, some of which were attributed to political reasons but, later on, it was found that these accidents were due to defect in the track itself?

**Mr. P. B. Rau:** I am not aware of any accident that was due to running of heavier locomotives.

**Dr. Ziauddin Ahmad:** Will the Honourable Member admit that they first purchased engines which later on were found to be unsuitable for this track? Then they spent money in altering bridges, tracks and engine sheds.

**Mr. P. B. Rau:** I shall have to turn up ancient records to give a reply. I am not aware of it from my personal knowledge.

**Dr. Ziauddin Ahmad:** Will the Honourable Member do it now? He has come to know of it.

(No reply.)

#### MANUFACTURE BY JAPAN OF MARBLE TILES BEARING LORD MAHABIR'S PORTRAIT.

1079. **\*Mr. Lalchand Navalrai:** (a) Do Government know that Japan manufactures and exports marble tiles bearing Lord Mahabir's portrait?

(b) Are Government aware that the Jain community in India worships Lord Mahabir, and that their Tirithankaras' portraits have never been placed in the market before?

(c) Have Government received a representation from the Jubbulpur Jain community protesting against such manufacture and import into India?

(d) Are Government aware that the Jain community's religious feelings are likely to be offended by the aforesaid act of Japan, and do Government propose to take suitable steps to see that Japan desists from exporting such tiles? If not, why not?

**The Honourable Sir Joseph Bhoré:** (a) Enquiries made by the Government of India go to show that occasional consignments of porcelain tiles bearing a design representing Lord Mahabir have been imported at Bombay and more recently at Calcutta. It is understood, however, that importations at these ports have now ceased.

(b) and (c). Government have received representations to this effect from the Jain community at various places in India but none so far from Jubbulpur.

(d) The necessity for action does not now exist.

#### EFFECTS OF THE RECOMMENDATIONS OF THE RETRENCHMENT COMMITTEE OF THE GOVERNMENT OF INDIA ON THE NORTH-WEST FRONTIER PROVINCE.

1080. **\*Mr. B. Das:** (a) Will Government be pleased to state if the recommendations of the Retrenchment Committee of the Government of

India are in any way binding on the superior services of the North-West Frontier Province?

(b) Was it not the general procedure that no officer should be given extensions?

**The Honourable Sir George Schuster:** (a) As the Retrenchment Committee was a purely advisory body its recommendations are not binding on any Government. The Committee's recommendations with regard to provincial heads of expenditure were, however, communicated to the Government of the North-West Frontier Province.

(b) The general procedure with regard to the grant of extensions is stated in Chapter IX of the Fundamental Rules, a copy of which is available in the Library of the House. No special instructions were issued on this subject in connection with the retrenchment campaign.

# **RETRANSFER OF BENGAL DETENUS AND OTHER PRISONERS IN MADRAS TO BENGAL.**

1081. **\*Mr. K. P. Thampan:** (a) Has the attention of Government been drawn to the statement made by the Crown Prosecutor, Madras, in the conspiracy case now pending before the Special Magistrate, that it was "by coming into contact with the aforesaid Bengal detenues the accused imbibed the cult of violence and terrorism"?

(b) Do Government propose to consider the desirability of retransferring all the Bengal detenues and other prisoners to Bengal and stop the practice of sending such prisoners to Madras? If not, why not?

**The Honourable Sir Harry Haig:** (a) Yes.

(b) It has not been found practicable to transfer the Bengal State Prisoners from the Madras Presidency, but the question of making better arrangements for their segregation is under consideration.

**Mr. K. P. Thampan:** May I know, Sir, whether there is any other province, besides Madras, to which Bengal detenues and prisoners are sent?

**The Honourable Sir Harry Haig:** Yes, Sir; it has been found necessary to ask a number of Local Governments to accept these prisoners.

**Mr. K. P. Thampan:** Are not Government aware that since the murder of the late Mr. Ash, the Collector of Tinnevely in 1908, there has been no political murder in the Madras Presidency? Will the Honourable Member, therefore, realise, that in the interest of law and order and with a view to preserving a peaceful atmosphere in that Presidency, it is highly desirable that these Bengal detenues are not sent to Madras?

**The Honourable Sir Harry Haig:** We should certainly, Sir, much prefer not to send the Bengal prisoners to Madras, but, in the existing conditions in Bengal, it is very necessary that these prisoners should be removed from the Bengal Presidency, and we, therefore, have to ask various Local Governments to assist the Government of Bengal in taking charge of these prisoners.

**Mr. K. P. Thampan:** Have the Government of India cared to ask the Government of Madras and ascertain their opinion in this matter?

**The Honourable Sir Harry Haig:** The Madras Government would no doubt be very glad to be relieved of the charge. It is not a charge which any Local Government is anxious to accept, but I trust that it may be possible to make arrangements for their segregation which will prevent a repetition of these incidents.

**Mr. Lalchand Navalrai:** Is it not a fact that these detenus are really imbibing the 'cult of violence in Madras?

**The Honourable Sir Harry Haig:** Imbibing or disseminating?

**Mr. Lalchand Navalrai:** I mean disseminating.

**The Honourable Sir Harry Haig:** I think, Sir, generally speaking, that is our information.

**Mr. Lalchand Navalrai:** May I know if their transfer to other Local Governments will be welcomed on that account, because there also these detenus may create similar trouble?

**The Honourable Sir Harry Haig:** No, Sir; I have explained that no Local Government welcomes these prisoners.

**Mr. Lalchand Navalrai:** Then, how is it that this difficulty in Madras is going to be met with?

**The Honourable Sir Harry Haig:** I said, Sir, that I hope it will be possible to make more effective arrangements in Madras for their segregation.

**Mr. Lalchand Navalrai:** And not to send them to the Andamans?

**The Honourable Sir Harry Haig:** Well, Sir, hitherto our policy has been only to send convicted prisoners to the Andamans.

#### AMENDMENT OF SECTIONS 31 AND 32 OF THE INDIAN INCOME-TAX ACT.

1082. **\*Seth Haji Abdoola Haroon:** (a) Will Government be pleased to state whether the Central Board of Revenue have received any representations from merchants in Karachi regarding the amendment of section 31 of the Indian Income-tax Act, 1932, and whether in reply to one of these representations Government stated that section 32 would be amended when a general amendment of the Act was undertaken? If the reply be in the affirmative, will Government be pleased to state when they propose to amend the Act?

(b) Will Government be pleased to state if any representations have been made to them by merchants in Karachi, suggesting that the term "assessment" may be defined? If the reply be in the affirmative, will Government be pleased to state when it is proposed to take action in this direction?

**The Honourable Sir George Schuster:** (a) The Central Board of Revenue received a representation from a firm of merchants in Karachi in November, 1931, suggesting amendments of sections 31 and 32 of the Indian Income-tax

Act so as to remove a possibility that existed of appeals under the latter section against orders under the former section being time-barred before the orders had reached the party concerned. An amendment of the Act designed to secure this object was made by section 14 of the Indian Income-tax (Second Amendment) Act, 1933, which became law last September.

(b) Such a representation has been received. The Central Board of Revenue pointed out in reply that it would be impossible to remove the difficulties that arise out of the definition of the term "assessee" in the Act and the use of cognate terms in different sections, except at a time when a radical overhauling of the Act was undertaken. I am not in a position to say that the Government can contemplate any such radical overhaul of the Act at an early date.

**PUBLICATION OF THE INDIAN FINANCE (SUPPLEMENTARY AND EXTENDING) ACT, 1931, IN SINDHI.**

1083. \*Seth Haji Abdoola Haroon: Will Government be pleased to state whether the Indian Finance (Supplementary and Extending) Act, 1931, was published in Sindhi and if so, when?

The Honourable Sir Brojendra Mitter: The Indian Finance (Supplementary and Extending) Act, 1931, was published in Sindhi in Part IV of the Sind Official Gazette, dated the 17th December, 1931.

**ASSESSMENT OF INCOME-TAX IN KARACHI.**

1084. \*Seth Haji Abdoola Haroon: Will Government be pleased to state if it is a fact that for the assessment years 1931-32 and 1932-33, the Income-tax Officer, B. Division, Karachi, has assumed for the purpose of income-tax assessment his own figures of turnover instead of those shown by the books of the taxpayers specially in cases in which registration was sought by the assessee? If the reply be in the affirmative, will Government be pleased to obtain and lay on the Assembly table a list showing the number of assessments for each year separately?

The Honourable Sir George Schuster: The reply to the first part of the question is in the negative: the Income-tax Officer has only framed his own estimate of the profit on turnover when the accounts submitted were so incomplete or unreliable that they could not be accepted for the purpose. The second part of the question does not arise.

**RUMOURED ARREST OF EIGHT PERSONS OF THE BUGTI TRIBAL COUNTRY AT JACOBABAD.**

1085. \*Seth Haji Abdoola Haroon: (a) Are Government aware that it is rumoured that recently Nawab Mahrah Khan of Dera Bugti (Baluchistan) in consultation with the Political Agent, Sibi, got arrested eight persons belonging to Bugti tribal country, including Wadero Tangai Khan at Jacobabad (Sind), without any definite reason? If so, will Government be pleased to state whether this is correct?

(b) Is it a fact that these persons were detained in jail for no fault, and the next day, the Deputy Commissioner, Jacobabad, found them innocent and released them on the condition that they would go to Jhat Pat (Baluchistan) with the Assistant Political Officer, Nasirabad, for recording their statements there?

(c) Is it a fact that in compliance with the order of the Deputy Commissioner, Jacobabad, the above eight persons went to Jhat Pat (Baluchistan) from where they were brought to Nasirabad and interned there for various periods at the instigation of Nawab Mahrab Khan Bugti?

(d) Is it a fact that later on these persons were found innocent, and the Assistant Political Officer, Nasirabad, released them?

(e) If the replies to parts (a), (b), (c) and (d) above be in the affirmative, will Government be pleased to state on what authority and under what rule these persons were arrested?

**Mr. H. A. F. Metcalfe:** (a), (b), (c) and (d). The facts of the case, to which the Honourable Member apparently alludes, are reported to be as follows: Tangi Khan with several followers entered British India from Bugti tribal territory and having been found wandering in Sindh without visible means of subsistence were arrested by the Jacobabad police, who suspected them of an intention to commit offences. The Assistant Political Agent, Nasirabad Sub-Division of the Sibi District, happened to be in Jacobabad at the time and hearing of the arrest he suggested to the Deputy Commissioner that Tangi Khan and his companions should be released and permitted to accompany him to his headquarters in order that he might arrange for their repatriation to their own country. The District Authorities agreed and Tangi Khan and his companions were released and subsequently returned of their own free will to Bugti tribal territory in order to make their peace with their Tumandar.

(e) Does not arise.

#### IMPRISONMENT OF WADERO BAHLEL KHAN AND WADERO DILIJAN KHAN, MUKADAMS OF DERA BUGTI (BALUCHISTAN).

1086. \*Seth Haji Abdoola Haroon: (a) Will Government be pleased to state if it is a fact that Wadero Bahlel Khan and Wadero Dilijan Khan, Mukadams, who represent two-third of a thousand people each, desired to leave their beloved country—Dera Bugti (Baluchistan)—recently on account of unbearable tyrannies at the hands of Nawab Bugti in order to secure protection in Sind under British rule, but that they were induced and misled by the Nawab's men at his instigation, and brought to Quetta where in consultation with the Political Agent, Sibi, they were hand-cuffed and brought to Sibi Jail, where these unfortunate persons are still in prison?

(b) If the reply to part (a) above be in the affirmative, will Government be pleased to state whether any prosecution took place before their imprisonment and, if so, what was the charge against them?

(c) Is it a fact that a petition on this subject signed by three head persons and dated the 18th September, 1933, was received by the Honourable the Agent to the Governor General, Quetta and Chief Commissioner in Baluchistan?

(d) If the reply to part (c) above be in the affirmative, will Government be pleased to state whether the facts alleged in the petition are correct?

(e) Will Government be pleased to state, whether they intend to look into their case and release the above persons if they are found innocent?

**Mr. H. A. F. Metcalfe:** (a) and (b). Bahlel Khan and Dilijan Khan were arrested in Quetta, because they were found to be attempting to interfere with the settlement of inter-tribal cases on the occasion of the Mari-

Bugti Joint Jirga. This conduct was considered by the local authorities calculated not only to promote ill-feeling between these two tribes but also to cause breaches of the peace and these two persons were therefore called on to furnish security for their future good behaviour. They are still in custody pending their furnishing such security.

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

(e) On the facts before them Government do not consider that any further enquiry is necessary.

**RECRUITMENT TO THE SUPERIOR RAILWAY SERVICES AFTER THE CONSTITUTION OF THE STATUTORY RAILWAY BOARD.**

1087. \*Mr. Gaya Prasad Singh: (a) Will Government be pleased to state whether under the proposed constitution of the Statutory Railway Board recruitment to the Superior Railway Services will continue as at present by the Public Service Commission?

(b) Will Government please also state whether the present undertaking whereby 75 per cent. recruitment to such services, including that on the Company-managed Railways, is made from among Indians, will be binding on the new Railway Board?

The Honourable Sir Joseph Blore: Neither of these questions is specifically dealt with in the sketch proposals for the future administration of Indian Railways, though a recommendation is made that the Public Service Commission should be consulted in regard to the framing of rules to regulate recruitment of the Superior Railway Services. As far as I can see there is no reason whatever to anticipate that the percentage of Indian recruitment will be reduced in consequence of the constitution of a Statutory Railway Authority.

**ABSENCE OF WAITING ROOMS AT RAJGHAT STATION, EAST INDIAN RAILWAY.**

1088. \*Rai Bahadur Kunwar Raghubir Singh: (a) Will Government be pleased to state if they are aware that Rajghat station (East Indian Railway) is visited by lakhs of pilgrims and that there is no waiting room there for first or second or intermediate class passengers?

(b) Are Government aware that great inconvenience is caused to pilgrims on that account?

Mr. P. R. Rau: The information is being obtained from the Railway Administration concerned and a reply will be laid on the table in due course.

**ABSENCE OF A THROUGH PASSENGER TRAIN FROM DELHI TO ALLAHABAD.**

1089. \*Rai Bahadur Kunwar Raghubir Singh: (a) Are Government aware that there is no through passenger train from Delhi to Allahabad?

(b) Are Government aware that the present time-table of the East Indian Railway is unpopular for abrupt discontinuance of several passenger trains?

(c) Do Government propose to restore the old trains in view of motor bus competition?

**Mr. P. B. Rau:** So far as I know there are four trains each way carrying passengers which run through from Delhi to Allahabad and further; but these are either mail or express trains and possibly my Honourable friend is referring to trains which stop at every station. I am making enquiries on this point and the points raised in parts (b) and (c) of the question from the Agent, East Indian Railway, and will place a further reply on the table in due course.

**Dr. Ziauddin Ahmad:** There are at least two passenger trains running throughout the line, and there is break of service at important junctions like Tundla, Lucknow, Cawnpore and Allahabad. The question is whether it will not be convenient if one passenger train is run direct without breaks and another passenger train with breaks as at present to suit local traffic.

**Mr. P. B. Rau:** I shall convey my Honourable friend's suggestion to the Agent of the East Indian Railway.

#### CONTRIBUTORY PROVIDENT FUND IN CURRENCY OFFICES.

1090. **\*Mr. Lalchand Navalrai:** (a) Will Government be pleased to state whether the Controller of the Currency had issued any circular regarding the Contributory Provident Fund to the Currency Associations, inviting their views on it?

(b) Was the scheme approved by the Associations of the Currency employees?

(c) Why has it not been given effect to?

(d) Is it a fact that this question has been before Government for consideration for over eleven years? If so, how long do Government still intend to keep this question pending?

(e) Is it a fact that the Currency Offices Union has been informed that the Government of India have decided to drop the question for the time being as the Union is not willing to adopt it unless it is substantially amended? If so, do Government intend to amend the scheme as proposed by the Union?

**The Honourable Sir George Schnuster:** With your permission, Sir, I will deal with questions Nos. 1090 and 1091 together.

Enquiry is being made from the Controller of the Currency. The information will be laid on the table of the House as soon as it is available.

**Mr. Lalchand Navalrai:** May I know whether the report will be submitted soon, or will it take an undue time?

**The Honourable Sir George Schnuster:** I have told my Honourable friend that the information will be laid on the table as soon as it is available.

**Mr. Lalchand Navalrai:** Thank you

#### CONTRIBUTORY PROVIDENT FUND IN CURRENCY OFFICES.

†1091. **\*Mr. Lalchand Navalrai:** (a) Will Government be pleased to state whether the Currency Offices staff was consulted when the scheme proposed by the Controller of the Currency was introduced in 1919?

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†For answer to this question, see answer to question No. 1090.



(b) Was the Currency Offices staff consulted and did they agree to accept the revised scales in 1924? If not, why were they introduced without the approval of the staff Associations?

(c) Is it the policy of Government to consult and to act according to the wishes of the staff whenever they have to introduce any changes? If not, why are Government not giving immediate effect to the proposed scheme?

# COMPLAINTS AGAINST THE JODHPUR RAILWAY.

1092. \*Mr. Lalchand Navalrai : (a) Are Government aware that the Jodhpur Railway line between Hyderabad (Sind) and Marwar has been in existence for the last two decades and a half?

(b) Are Government aware that a large number of passengers to Kathiawar, Gujrat and Bombay travel over this line throughout the year, more particularly during the monsoon?

(c) Are Government aware of the high percentage of profit derived by this Railway?

(d) Will Government please state why higher fares are charged on this Railway than on the North Western and Bombay, Baroda and Central India Railways?

(e) Are Government aware that passengers have made frequent complaints to the Jodhpur Railway authorities about the very narrow size of latrines provided in the third class carriages? If so, have the authorities made any attempt to make improvements?

(f) Is it not a fact that other Railways—either private-owned or State-owned—have advanced with the times and are Government aware that the Jodhpur Railway has made very little progress in the matter of accommodation and service?

(g) Do Government propose to use their influence to see that this State Railway is conducted on the same principle as other Railways?

(h) What are the conditions and terms of agreements between Government and this Railway?

(i) What kind of control do Government possess over this Railway? If none, are Government prepared to take immediate steps to do so?

Mr. P. B. Rau: (a) The line between Hyderabad (Sind) and Marwar was opened for traffic in December, 1900.

(b) The statistics available do not give this information, but I am quite prepared to take the Honourable Member's word for it.

(c) The net earnings of 1932-33 represented about 6 per cent. of the total capital at charge.

(d) to (i). The Railway is worked by the Jodhpur Durbar, and is owned by it except for a small portion outside the limits of the State which though not owned by it is worked as an integral part of the system. The Government of India do not interfere with its management.

Mr. M. Maswood Ahmad: Is there any private-owned railway in the country?

Mr. P. B. Rau: It is owned by the Jodhpur Durbar. It is a State.

Mr. M. Maswood Ahmad: So there is no private-owned railway?

**Mr. P. B. Rau:** It is private so far as the Government of India are concerned.

**Mr. Lalchand Navalrai:** In view of the coming Federal Constitution in which the States also are going to join, is it very difficult for the Government to draw the attention of the Jodhpur Durbar to fall in with the times and carry on their business in the railway just as any State Railway does?

**Mr. P. B. Rau:** I do not think that that is part of the business of the Railway Department.

**Mr. Lalchand Navalrai:** I did not follow the answer.

**Mr. P. B. Rau:** I do not think that that is part of the business of the Railway Department.

**Mr. Lalchand Navalrai:** That is throwing the burden on some other Department.

†1093.\*

#### APPOINTMENT OF MUSLIMS TO THE INDIAN SERVICE OF ENGINEERS IN THE UNITED PROVINCES.

1094. \*Khan Bahadur Haji Wajihuddin: (a) Is it a fact that the total sanctioned cadre of the Indian Service of Engineers in the United Provinces is 70?

(b) Is it a fact that there are three vacancies in the cadre in the grade of Assistant Executive Engineers?

(c) Is it a fact that Mr. A. T. Braybrooke is retiring in November, 1933 and that Mr. J. S. Lee has taken leave preparatory to retirement and that Mr. S. F. Bett has been transferred to the Delhi Circle?

(d) Is it a fact that there are only three Muslims in the Indian Service of Engineers in the United Provinces?

(e) Is it a fact that no Muslim has been promoted from the Provincial Service of Engineers to the Indian Service of Engineers since the time the United Provinces Engineering Service was instituted?

(f) Is it not a fact that qualified Mussalmans with approved service are available in the department and outside?

(g) When do Government propose to fill up the vacancies referred to in part (c)?

(h) Do Government propose to consider the claims of Mussalmans at the time of new appointments?

**The Honourable Sir Frank Moyce:** (a) Yes.

(b) Yes.

†This question was disallowed.

(c) So far as Messrs. A. T. Braybrooke and S. F. Bett are concerned, the reply is in the affirmative. Mr. J. S. S. Lee has been granted leave for one year with effect from the 5th October, 1933, but the Government of India are not aware whether this leave is preparatory to retirement or not.

(d) Yes.

(e) Yes.

(f), (g) and (h). These questions do not arise at present, as the Government of India have decided, with the approval of the Secretary of State, to suspend further recruitment to the Indian Service of Engineers, either by promotion from Provincial Engineering Services or by open competition, pending a decision on the recommendation of the Services Sub-Committee of the Indian Round Table Conference that the Irrigation Branch of the Service should be provincialised.

#### DIFFICULTIES OF THE STAFF OF THE CENTRAL PUBLICATION BRANCH DUE TO ITS TRANSFER TO DELHI.

1095. \*Mr. S. O. Mitra: (a) Will the Honourable Member in charge of the Department of Industries and Labour kindly refer to his reply to part (c) of my starred question, No. 166, dated the 29th August, 1933, regarding the difficulties of the staff of the Central Publication Branch due to its transfer to Delhi, and be pleased to explain more fully what he means by saying that the transfer of the Central Publication Branch, "is serving its purpose"?

(b) With reference to part (b) of the reply to my starred question referred to above, will Government be pleased to state what are the other considerations than those mentioned in my question that influenced the decision of the Standing Finance Committee in favour of the transfer?

(c) Will Government be pleased to state the specific advantages that are expected to accrue from the transfer?

The Honourable Sir Frank Noyce: (a) The phrase "is serving its purpose" means that the objects underlying the transfer of the Central Publication Branch to Delhi are being achieved.

(b) and (c). The attention of the Honourable Member is invited to pages 492—494 of the proceedings of the Standing Finance Committee dated the 19th February, 1932 (Volume XI. No. 17), which set out clearly the considerations which led to, and the advantages which would accrue from, the transfer of the Branch.

#### STOCK-TAKING OF PUBLICATIONS IN THE CENTRAL PUBLICATION BRANCH.

1096. \*Mr. S. O. Mitra: (a) Will Government be pleased to state whether it is a fact that arrangements and counting of stock of publications received from Calcutta to Delhi at the time of the transfer of the Central Publication Branch to Delhi were entrusted to the Officiating Assistant Manager of Publications? Is it not a fact that the Controller of Printing and Stationery with his Deputy personally supervised arrangements for store for some months?

(b) With reference to the reply to part (d) of my starred question No. 166 of the 29th August, 1933, will Government please state whether the closing and opening balances of the stock of various publications tallied in every case? If not, in how many cases of publications were discrepancies detected?

(c) What is the total value of the publications in regard to which discrepancies in relation to opening and closing balances were disclosed?

(d) What are the titles of the publications about which such discrepancies occurred?

(e) How is it proposed to reconcile the discrepancies?

**The Honourable Sir Frank Noyce:** (a) The work was under the control of the Officiating Assistant Manager at Delhi. During the months of May and June the Controller of Printing and Stationery with his Deputy visited the Branch and watched the progress of work, expediting it and giving instructions where necessary.

(b) to (e). The work of reconciling the opening and closing balances is still in progress and the necessary information regarding discrepancies is not available at present. Government have not yet considered how the question of reconciling of discrepancies will be treated.

#### LEDGER AND STOCK FIGURES OF THE CENTRAL PUBLICATION BRANCH.

1097. **\*Mr. S. C. Mitra:** (a) With reference to the reply to part (e) of my starred question No. 166, dated the 29th August, 1933, will Government be pleased to state whether the work of reconciliation between ledger and stock figures has been completed? If not, when is it expected to be completed?

(b) Is it a fact that a considerable number of men on a daily wage basis were recruited at Delhi, when the Central Publication Branch was in the process of transfer, for the purpose of arrangement of stock? If so, how many men were recruited for the purpose?

**The Honourable Sir Frank Noyce:** (a) The attention of the Honourable Member is drawn to the reply given by me today to parts (b) to (e) of his starred question No. 1096. It is not possible to forecast with any degree of accuracy when the work will be completed but it may take about two months.

(b) A statement giving the required information is laid on the table.

*Statement showing the number of men engaged for the purpose of arrangement of stock when the Central Publication Branch was in the process of transfer from October 1932 to March 1933.*

	Counters.	Record Suppliers and Distributors.	Labourers.	Total.
October, 1932		3	4	7
November, 1932		5	5	10
December, 1932	2	14	17	33
January, 1933	7	21	19	47
February, 1933	7	23	32	72
March, 1933	7	42	35	84

**QUARTERS ALLOTTED TO THE STAFF OF THE CENTRAL PUBLICATION BRANCH.**

1098. \***Mr. S. C. Mitra:** (a) With reference to the reply to part (b) of my starred question No. 168, dated the 29th August, 1933 and also to part (a) of my starred question No. 169 of that date, regarding the residential accommodation allotted to the staff of the Central Publication Branch, will Government be pleased to state whether it is a fact that the Public Works Department reported to the Department some time in July last that the quarters had outlasted their utility?

(b) If so, why have quarters that have outlasted their utility been allotted to the staff of the Central Publication Branch?

(c) Are full assessed rents being realised from the occupants?

(d) Do Government propose to allot some of the quarters now under construction to the staff of the Central Publication Branch?

**The Honourable Sir Frank Noyce:** (a) No. The Public Works Department expressed the opinion in July last that the quarters had lasted longer than would ordinarily be expected of temporary buildings. They are admittedly in bad condition; but they are still useful, and are in demand.

(b) Does not arise.

(c) Yes, subject to the usual limitation of ten per cent. of emoluments. I may add that as these quarters were built inexpensively, their rents are low.

(d) No. The new quarters under construction are in New Delhi and are intended primarily for Government servants working in New Delhi. They will not ordinarily be allotted to the staff of the Central Publication Branch so long as it is located in Old Delhi.

**DISPOSAL OF CERTAIN PUBLICATIONS AS WASTE PAPER ON THE EVE OF THE TRANSFER OF THE CENTRAL PUBLICATION BRANCH TO DELHI.**

1099. \***Mr. S. C. Mitra:** (a) With reference to the reply to my starred question No. 180, dated the 30th August, 1933, regarding the disposal of certain publications as waste paper on the eve of the transfer of the Central Publication Branch to Delhi, will Government be pleased to state the approximate amount of space released by the disposal of publications as waste paper?

(b) Is it a fact that the work of weeding of the stock of publications was undertaken only a few months before the commencement of the transfer?

(c) Are Government aware that when the Stores, Printing and Stationery Retrenchment Committee paid a visit to the Central Publication Branch in Calcutta, huge lots of publications to be disposed of as waste paper were piled up in the corridors and verandahs of the office premises? If so, why?

(d) Is it a fact that single storeyed racks have been installed in the Delhi office of the Central Publication Branch?

(e) Is it a fact that in the Calcutta office double-storeyed racks existed for the storage of publications?

(f) If the reply to part (e) be in the affirmative, how do Government compare the storage accommodation available in Delhi with that of Calcutta as referred to by Government in their reply to part (h) of my unstarred question No. 58, dated the 18th September, 1933?

**The Honourable Sir Frank Noyce:** (a) It is not possible to give the information required as a large number of publications disposed of as waste paper were stored in corridors and other places.

(b) No. The weeding of stocks of old publications is carried on throughout the year.

(c) Yes. The publications in question were stacked in the corridors and verandahs pending removal by the waste paper contractor.

(d) and (e). Yes.

(f) The floor area of the Delhi building is approximately three times greater than that of Calcutta, while the storage capacity of the racks is 98,400 cubic feet against about 65,000 cubic feet in Calcutta.

#### LACK OF ACCOMMODATION FOR OFFICE ROOMS OF THE CENTRAL PUBLICATION BRANCH.

1100. **\*Mr. S. C. Mitra:** (a) Are Government aware that the Delhi office of the Central Publication Branch lacks suitable accommodation for office rooms?

(b) Are Government aware that the staff of the office have been kept huddled together in small apartments for want of accommodation? Will Government be pleased to state how many men are working in the room in which the General Publishing and Type sections, etc., of the office exist? What is the amount of floor space of the room? How many tables and chairs are there in the room? What is the amount of floor space covered by those tables? What is the amount of space covered by other furniture, *vis.* almirahs, racks, etc.?

(c) Is there not a rule fixing the minimum space to be provided for each clerk and heads of sections? If so, has the rule been observed in the cases of the above sections of the office? If not, why not?

(d) Are Government aware that the Accounts and Cash sections of the office of the Central Publication Branch suffer from congestion?

(e) Are Government aware that the apartment in which the Cash Section is located is unsafe?

(f) Are Government aware that the Cash Section cannot be suitably located for want of rooms surrounded by closed walls?

(g) Will Government be pleased to state whether the problem of want of space in Calcutta has been solved in Delhi?

**The Honourable Sir Frank Noyce:** (a) Ample accommodation exists for office rooms.

(b) No. 17 men including two Record Suppliers are working in the room in question which has 1,057 square feet floor space. There are 15 tables and chairs for the men and the area occupied by the tables is approximately 240 square feet. The other furniture occupies approximately 84 square feet.

(c) There is no hard and fast rule fixing the minimum office space for clerks and heads of sections. The space usually allowed is 40 square feet for a clerk and 64 square feet for a superintendent. The last part of the question does not arise.

(d), (e) and (f). No.

(g) Yes.

**ALLEGED PREPONDERANCE OF ANGLO-INDIAN OFFICERS AT THE HEAD-QUARTERS OFFICE OF THE CONTROLLER OF PRINTING AND STATIONERY.**

1101. \***Mr. S. C. Mitra:** Are Government aware of the existence of an Anglo-Indian group at the Headquarters office of the Controller of Printing and Stationery? Is the Deputy Controller of the Headquarters office an Anglo-Indian? Is the Assistant Controller of Headquarters office an Anglo-Indian? How many gazetted officers are there in the Headquarters office of the Controller besides the Controller? Is it a fact that the present Manager of Publications is an Anglo-Indian?

**The Honourable Sir Frank Noyce:** The answer to the first part is in the negative. The Deputy Controller is of non-Asiatic domicile; the officiating Assistant Controller is an Anglo-Indian. These are the only two gazetted officers in the Headquarters office besides the Controller. The officiating Manager of Publications is an Anglo-Indian.

**ALLEGED INEFFICIENCY OF STAFF OF THE CENTRAL PUBLICATION BRANCH.**

1102. \***Mr. S. C. Mitra:** (a) Is it a fact that the Manager of Publications assumed charge of office in July last?

(b) Is it a fact that he sent a report to the Controller of Printing and Stationery towards the end of July that the whole staff were inefficient?

(c) If so, will Government please state whether the question of the general inefficiency of staff was ever reported to the Controller before by any of his predecessors?

(d) Who was the permanent Manager of Publications? Did he ever report to the Controller regarding the inefficiency of the staff? How could the present Manager conclude that the whole staff were inefficient in the course of one month?

(e) Is it a fact that the Controller has submitted a report to Government on the basis of the Manager's report?

**The Honourable Sir Frank Noyce:** (a) Yes.

(b) I understand that a report showing the need for a much higher standard of efficiency from the staff of this Branch was submitted, but I am not aware exactly when it was sent.

(c) I am not aware of any such reports, but unfavourable reports on the inefficiency of the staff in this Branch were submitted to Government by independent officers in 1926 and 1930.

(d) Mr. J. H. Golder was the permanent Manager. So far as I am aware he made no report on the subject. The last part of the question does not arise.

(e) The Controller has submitted a report to Government, but his report was based on almost daily personal investigation in May and June last.

**GRADUATES IN THE CENTRAL PUBLICATION BRANCH.**

1103. \***Mr. S. C. Mitra:** How many graduates are there in the office of the Central Publication Branch in the clerical grade? What are their lengths of service?

**The Honourable Sir Frank Noyce:** Eleven graduates are employed in the clerical grades (excluding Assistants and day extra employees) in the Central Publication Branch. Their service varies from three months to eight years.

**OFFICE ORDER ABOUT LEAVING STATION WITHOUT PREVIOUS PERMISSION  
IN THE CENTRAL PUBLICATION BRANCH.**

1104. \***Mr. S. C. Mitra:** (a) Is it a fact that the Manager of Publications has of late issued an office order to the effect that no one of the staff should leave the station without previous permission?

(b) If so, will Government please refer to the rule that empowers the Manager to issue such an order?

**The Honourable Sir Frank Noyce:** (a) Yes.

(b) There is no specific rule but it is a well established practice that a Government servant must not leave his station without the permission of his superior officer.

**RACIAL DISCRIMINATION ON THE EAST INDIAN RAILWAY IN THE MATTER  
OF APPOINTMENTS.**

1105. \***Mr. S. C. Mitra:** (a) Is it a fact that in spite of the assurance given in reply to my starred question No. 291 (a) of 10th September, 1929, racial discrimination is deliberately maintained on the East Indian Railway, in the matter of appointments?

(b) If the answer to part (a) above be in the negative, will Government please state the reasons for appointing one European or Anglo-Indian ex-apprentice of the Lillooah Workshop (East Indian Railway) who completed his training on the 18th September, 1930, who passed in the Second Division, and who had no qualifications of Train Examiner, as Train Examiner under the Divisional Superintendent, Howrah and what were the grounds for not selecting his seniors who passed in the First Divisions and who are still unemployed? Are Government prepared to take steps to replace him by an Indian from the waiting list according to seniority and the division he passed from the Technical School? If not, why not?

(c) Is it a fact that one European or Anglo-Indian ex-apprentice of the Lillooah Workshop (East Indian Railway) who completed his training in April, 1933, was appointed as a Train Examiner under the Divisional Superintendent, Howrah, without even being called for interview along with the other ex-apprentices who completed their training up to the year 1932, ignoring the claims of many seniors of 1929 and 1930, who passed in the First Division?

(d) If the answer to part (c) above be in the affirmative, will Government please state why racial discrimination was made in appointing him without even being called for interview? Are Government prepared to put strictures without further delay, on the officers concerned, to stop such practice in future and to take necessary steps to replace him by an Indian from the waiting list? If not, why not?

(e) If the answer to part (c) above, be in the negative, are Government prepared to institute an early inquiry into the matter and take necessary steps? If not, why not?

(f) Is it also a fact that 83.8 per cent. European or Anglo-Indian ex-apprentices of the Lillooah Workshop (East Indian Railway) have been appointed as Train Examiners under the Divisional Superintendent, Howrah, although better qualified Indians were available?



(g) If the answer to part (f) above be in the affirmative, will Government please state the reasons for appointing 33·3 per cent. Europeans or Anglo-Indians in preference to many senior better qualified Indians?

(h) Do Government propose to appoint ex-apprentices of the Lillooah Workshop (East Indian Railway) in all future cases, as Train Examiners from the waiting list strictly according to seniority and the Divisions they passed from the Technical School without making any racial discrimination, and issue orders to all Divisional Superintendents to this effect without further delay? If not, why not?

**Mr. P. R. Rau:** With your permission, Sir, I propose to reply to questions Nos. 1105 to 1110 together. I have called for certain information and will lay a reply on the table in due course.

#### APPOINTMENT OF APPRENTICES OF THE LILLOOAH WORKSHOPS.

†1103. **\*Mr. S. O. Mitra:** (a) Is it a fact that the answer given in reply to my unstarred question No. 22 (c) of 5th September, 1932, relating to the appointment of Lillooah apprentices, is not correct and that it is not a fact that both of those two apprentices were sent back to the Lillooah Workshop for unsatisfactory work and irregular attendance?

(b) Is it also a fact that one of them was retained there for faithful discharge of his duties and regular attendance a week more after the strike was over? Is it also a fact that he worked there daily for eight hours including Sundays, Saturdays and public holidays?

(c) If the answer to parts (a) and (b) above be in the affirmative, will Government please state whether before appointing the Anglo-Indian [as stated in answer to Mr. Bhuput Singh's starred question No. 631 (b) of 4th March, 1932], they made any endeavour to select the Indian for the post? If not, why not? Are Government prepared to appoint him as a Train Examiner at the earliest opportunity and when the next vacancy arises and issue orders to all Divisional Superintendents to this effect without delay? If not, why not?

(d) Will Government please state why racial discrimination was made in appointing the said unsuccessful Anglo-Indian for the post who had no qualifications of Train Examiner?

(e) If the answer to parts (a) and (b) above be in the negative, are Government prepared to make an early inquiry into the matter and take necessary steps? If not, why not?

#### APPOINTMENT OF APPRENTICES OF THE LILLOOAH WORKSHOPS.

†1107. **\*Mr. S. O. Mitra:** Will Government please supply the names of those two men who are referred to in answer to my unstarred question No. 22 (c) of the 5th September, 1932, with the following particulars:

- (i) dates on which they were returned to shops,
- (ii) daily working hours,
- (iii) number of days worked overtime, and
- (iv) date on which the strike was over?

If not, why not?

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†For answer to this question, see answer to question No. 1105.

**APPOINTMENT OF APPRENTICES OF THE LILLOOAH WORKSHOPS AS  
TRAIN EXAMINERS AND ELECTRICIANS.**

†1108. \***Mr. S. C. Mitra:** Will Government please state the number of vacancies which occurred in the grade of Train Examiners and Electricians under the Divisional Superintendents, East Indian Railway, since March, 1932, and the number of European, Anglo-Indian and Indian *ex*-apprentices of the East Indian Railway Workshop, Lillooah, taken in as such and also the number of vacancies lying unfilled with the following particulars:

- (i) name of the Division, and
- (ii) designation of the post?

If not, why not?

**APPOINTMENT OF APPRENTICES OF THE LILLOOAH WORKSHOPS.**

†1109. \***Mr. S. C. Mitra:** Will Government please state the number of *ex*-apprentices of the East Indian Railway Workshop, Lillooah, who are likely to be provided with suitable posts under the Chief Engineer, Chief Operating Superintendent, Controller of Stores, Deputy Chief Mechanical Engineers and Works Managers as referred to in answer to my starred question No. 918 (d) of 7th November, 1932, with their names? If not, why not?

**APPOINTMENT OF APPRENTICES OF THE LILLOOAH WORKSHOPS.**

†1110. \***Mr. S. C. Mitra:** (a) With reference to the assurance given in reply to my starred question No. 918 (d) of 7th November, 1932, is it a fact that *ex*-apprentices of the Lillooah Workshop (East Indian Railway) have not been appointed as Train Examiners, under the Chief Operating Superintendent in the Howrah Division from the waiting list?

(b) If the answer to part (a) above be in the affirmative, will Government please state the reasons for not selecting those senior *ex*-apprentices of the Lillooah Workshop (East Indian Railway) of 1929 and 1930, and who had passed in the First Divisions and who had prior claims to their juniors who completed their training at later dates? What were the grounds for selecting those four juniors (out of six) for the posts? Are Government prepared to take steps to replace them by those seniors who passed in the First Divisions and who are still waiting? If not, why not?

(b) If the answer to part (a) above be in the negative, will Government please lay on the table a statement showing the names of those who were appointed as Train Examiners under the Divisional Superintendent (Operating Department), Howrah, this year, with the following particulars:

- (i) dates of completion of their apprenticeship,
- (ii) Division in which they passed from the Technical School, and
- (iii) starting salaries?

If not, why not?

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†For answer to this question, see answer to question No. 1106.

**RULES ABOUT TRAVELLING ALLOWANCE AND RAILWAY FARES FOR INDIAN SOLDIERS GOING ON LEAVE.**

**1111. \*Mr. B. V. Jadhav:** (a) Will Government be pleased to lay on the table of this House a copy of the rules about travelling allowance and railway fares when Indian soldiers go on furlough or on leave for private affairs?

(b) Are Government aware that the Army Department allows only fare for the journey to the home of the sepoy and that he has to deposit with his officer the amount of the return fare, and that a warrant entitling him to get a third class ticket by an ordinary train is given him?

(c) Is he or is he not allowed to travel by mail train on paying the difference between the mail and ordinary train fares on his outward or return journey?

(d) If the reply to part (c) be in the affirmative, have Government enquired whether the railway authorities freely allow this change?

(e) If the reply to part (c) be in the negative, will Government please state the reason why an Indian sepoy is not allowed to enjoy the same concession which an ordinary non-military passenger can claim and is allowed to travel by a faster train by paying the difference in fares?

(f) Do Government propose to enquire into the matter of the harassment which a non-commissioned officer of the 3/5 Maratha Light Infantry was exposed to on the 30th September, 1933, at Kolhapur and Miraj stations of the Madras and Southern Mahratta Railway?

(g) Will Government be pleased to place on the table a copy of the rules in force in India and in the United Kingdom with respect to British privates soldiers in the matter of railway fares and concessions when going on furlough or any other leave? Are Government prepared to state that there is no racial discrimination in this respect?

**Mr. G. B. F. Tottenham:** (a) A copy of the rules is placed in the Library.

(b) The procedure is not as stated. When proceeding on leave at their own expense Indian soldiers are given an Indian Army form, which they hand over to the railway booking clerk together with the single journey fare. In exchange they receive an ordinary railway ticket for the outward journey and a return journey voucher. When commencing the return journey this voucher is exchanged for an ordinary railway ticket.

(c) No, but the concession referred to in the answer to part (b) is available by mail trains on certain railways.

(d) Does not arise.

(e) Because it is one of the conditions of the concessions.

(f) Government have no information of the incident.

(g) A copy of the rules on the subject is placed on the table.

The only respect in which there is a racial discrimination in the matter of concessions when proceeding on furlough is that the Indian soldier receives free conveyance by rail when proceeding on furlough, while the British private does not.

## Military Traffic Rules, 1932.

## APPENDIX B.

List of concessions admissible for Military personnel, etc.

Serial No.	Persons, etc. eligible.	Circumstances under which concession is admissible.	Authority on which concession should be allowed by the Station Master.	Nature of concession.	Railways over which concession is available by mail.	Railways over which concession is not admissible.	Remarks.
3	Warrant officers of the India unattached list, Indian Medical Department and Royal Indian Marine, N. C. Os. and men of the British Army, Royal Navy and Royal Marine, including men serving in the Army Department and other staff employed and Army School Mistresses.	When travelling on leave at their own expense.	On production of a certificate in Form I. A. F. L. 1180.	* Return ticket in any class available for 8 months on payment of a single fare (mail fare chargeable for 3rd class ticket).	Assam Bengal, Bara Light, Bengal & North Western, Bengal Doars, Bhavnagar State, Bikarn State, Bombay, Baroda and Central India, Eastern Bengal, East Indian, Gondal, Great Indian Peninsula, Jarnagar and Dwarha, Jodhpur, Junagad State, Madras & Southern Mahratta, Morvi, Mysore, North Western Railway, Kalka-Simla Railway, Porbandar State, Rohilkhand and Kumaon, South Indian.	Arrah-Sasaram Light, Baraset Benihat Light, Bengal Provincial, Bombay Port Trust, Bukhtiar-pur Bihar Light, Calcutta Port Commissioners, Dehri Rohtas Light, Dholpur State, Dibru Sadiya, Futwar Islampur Light. The following railways worked by G. I. P. Railway :— (a) Central Provinces (Murtazapur, Ellichpur, Murtazapur Yeetmal and Pulgaon Arvi).	Not applicable to the Warrant Telegraphists and the Gunners recruited from England for service in the R. I. M. for a period of 5 years.

(b) Dhend Baramati, Gaskwar's Baroda, State, Gwalior Light, Howrah Anta Light, Howrah Sheekhale Light, Jorhat. Provincial, Madras & Southern Maharashtra,† Madras Port Trust, Nilgiri Section, H. E. R. the Nizam's State, Shabdars (Delhi) Saharanpur Light.

\* Over the F. B. and E. I. Railways the fares chargeable are the third class ordinary fares.  
† So far as it applies to Inter-class tickets.

### DISABILITY PENSIONS GRANTED TO NON-COMBATANTS.

1112. \***Mr. B. V. Jadhav:** (a) Will Government be pleased to place on the table a copy of the rules under which disability pensions are granted to non-combatants when disability is contracted on field service?

(b) Will Government be pleased to inform this House whether the pay received by a non-combatant at the time when the disability was contracted or the pay when he actually retires is taken into consideration when pension is granted?

(c) Will Government be pleased to state whether under rule 239 of pension regulations the amount of disability pension is calculated according to the scale applicable to the combatants, and the relative rank of the non-combatants is determined by the amount of the salary they are getting?

(d) Will Government be pleased to state what disability pension should be granted to A, B and C, who are drawing Rs. 30 per mensem when they contract a disability of 50 per cent. but whose salary when they actually retire is Rs. 155, 215 and 255 respectively?

**Mr. G. R. F. Tottenham:** (a) Disability pensions to non-combatants are granted under paragraph 239 of the Pension Regulations and under Chapter XXXVIII of the Civil Service Regulations. Copies of these Regulations are in the Library.

(b) The attention of the Honourable Member is invited to part (e) of starred question No. 591 which was answered on the 4th September, 1933.

(c) Yes, except that the relative rank of non-combatants is determined by the amount of their pay and not their salary, which includes allowances.

(d) It is not possible to answer this question without knowing the length of service and the average pay for the last three years of the persons concerned. Attention is, however, invited to the answer to starred question No. 592 which was answered on the 4th September, 1933.

### ALLEGATIONS BY CERTAIN DECK PASSENGERS AGAINST THE BRITISH INDIA STEAM NAVIGATION COMPANY.

1113. \***Mr. Gaya Prasad Singh:** (a) Have Government received a statement [forwarded by me signed by Sree Hari Row, Mrityunjaya Dispensary, Simal Kot, Madras and Southern Mahratta Railway, East Godavari District, and 92 other deck passengers, who travelled to Rangoon on or about the 12th August last on the *S. S. Ellenga* (British India Steam Navigation Company), and returned in the first week of September last on the *Elephanta*] in the course of which it is stated?—

"The deck passengers being mostly illiterate are being treated like dogs. They were exposed to rain or huddled up in the undermost bottom of the ship intended for the storing of goods" and also: "we had for each no adequate space even to sit. The officers of the ship showed no sympathy. They are provided with sufficient space for themselves and they do not mind the inhuman sufferings of third class passengers."

(b) Do Government propose to enquire into this matter and take effective steps to remedy this disgraceful state of affairs?

**The Honourable Sir Joseph Bhoré:** (a) Yes.

(b) Enquiries are being made from the local authorities and on receipt of the information a reply will be laid on the table of the House.

**Mr. Gaya Prasad Singh:** May I know if it is intended to call for a report from the gentleman whose address I have given in my question, because on the last occasion no inquiry was made from the persons who were the sufferers?

**The Honourable Sir Joseph Bhoré:** We shall consider whether that is necessary or not after receiving the report from the quarter from which I have called for information.

**Mr. B. Das:** May I know if Sir Leslie Hudson who is on the Board of the British India Steam Navigation Company and who is present on the floor of this House takes note of these complaints that come very often before the House and tries to rectify them?

**Mr. President** (The Honourable Sir Shanmukham Chetty): Questions can be addressed to an Honourable Member only in his capacity as a Member of this House.

**Dr. Ziauddin Ahmad:** If the information is laid on the table, will we not be debarred from asking supplementary questions?

**The Honourable Sir Joseph Bhoré:** Nothing that I know ever seems to debar my Honourable friend from putting supplementary questions. (Laughter.)

**Dr. Ziauddin Ahmad:** If the answer is laid on the table, we cannot put questions then and there?

**Mr. President** (The Honourable Sir Shanmukham Chetty): The remedy is quite simple. As soon as the answer is laid on the table, Honourable Members can put down questions on the order paper.

**Mr. Amar Nath Dutt:** Or move an Adjournment Motion.

#### REPRESENTATIONS ABOUT THE ENACTMENT OF A LAW LIKE THE PRINCES PROTECTION BILL.

1114. **Mr. Gaya Prasad Singh:** Will Government be pleased to state if representations have been received from persons in British India, suggesting the enactment of a law like the Princes Protection Bill, now pending in this House? If so, from whom have such representations or suggestions been received and can copies of the correspondence in this connection be laid on the table?

**Mr. H. A. F. Metcalfe:** Government have received such representations but they do not consider it expedient to state from whom and therefore are unable to lay any correspondence in this connection on the table.

### ASSISTANCE GIVEN OR PROMISED TO THE FORMATION OF THE NORTHERN INDIA FLYING CLUB AT LAHORE.

1115. **Mr. Gaya Prasad Singh:** Will Government be pleased to state the terms and conditions and the sort of assistance given or promised by them to the formation of the Northern India Flying Club at Lahore?

**The Honourable Sir Frank Noyce:** The following assistance has been afforded by Government to the Northern India Flying Club:

(i) A fixed subsidy of Rs. 10,500 and a bonus at Rs. 100 per pilot trained *ab initio* by the Club and licensed, up to a maximum of Rs. 1,500, during 1933-34.

(ii) The use of the Government of India hanger and other buildings on the aerodrome at Kot Lakhpat (Lahore).

(iii) The Government of India aeroplane VT-ACD has been given on loan to the Club for a period not exceeding four months, with effect from the 1st October, 1933.

(iv) Arrangements are also under negotiation for the use by the Northern India Flying Club of the salvaged parts of aircraft and aircraft engines, the property of the Government of India, which have been handed over by the liquidator of the late Punjab Flying Club, and for the provision on loan to the Club of an aeroplane to be purchased out of the proceeds of an insurance claim relating to one of the Government aeroplanes which was lent to the late Punjab Flying Club.

2. I may add for the information of my Honourable friend that the terms and conditions on which this assistance is being given are similar to those on which assistance has been given to other subsidised flying clubs.

### COMPANIES MANUFACTURING ALUMINIUM UTENSILS IN INDIA.

1116. **Mr. B. V. Jadhav:** (a) Will Government be pleased to state whether they are watching the progress of the aluminium utensil industry carried on by the sons of the soil?

(b) Is it a fact that when Imperial Preference was adopted by this House, the four companies manufacturing aluminium utensils were:

(i) The Aluminium Manufacturing Company Limited;

(ii) The Jivanlal, Limited;

(iii) The Latta Aluminium Works; and

(iv) Jamnadas Brothers?

(c) Is it a fact that No. (iii) of part (b), the Latta Aluminium Works, had to close the factory since then?

(d) Are Government aware that the first company mentioned in part (b), the Aluminium Manufacturing Company, Limited, is owned by four Europeans and two companies, also owned by Europeans, and the six persons between themselves hold all the 6,000 shares?

(e) Are Government aware that No. (ii) of part (b), the Jivanlal, Limited, is a concern with a capital of Rs. 36,00,000, out of which all but only Rs. 100 are owned by the Aluminium Limited of Toronto, Canada, and the remaining Rs. 100 are contributed by Mr. Lawson Green Bash of Geneva?



(f) Is it a fact that the Aluminium Manufacturing Company Limited and the Jivanlal Limited own factories at Calcutta, Bombay, Rangoon and Madras, where they manufacture aluminium utensils?

(g) Is it a fact that the two firms named in part (f) hold practically the monopoly of supplying aluminium sheets and circles from Britain, Switzerland, Germany, France, Canada and America?

(h) Are Government aware that the Indian manufacturing companies have to depend upon the two foreign companies for their raw material?

(i) Is it a fact that about 85 per cent. of the aluminium utensil trade was in Indian hands about five or six years ago?

(j) Are Government aware that the position has completely changed and that the foreigners are controlling the bulk of the trade?

(k) Are Government aware that the Ottawa concession has not helped the Indian manufacturer?

(l) Are Government aware that the two firms are now trying to kill the Indian firm of Jamna Das Brothers by asking other dealers not to have transactions with Jamna Das Brothers?

(m) Is it the policy of Government to see a national industry wiped out by foreign competition?

(n) Will Government please state what course they intend to pursue?

**The Honourable Sir Joseph Blore:** The information required to answer this question is being collected and a reply will be laid on the table in due course.

#### ALLEGED INSTRUCTIONS BY GOVERNMENT REGARDING TAKING ACTION IN CONNECTION WITH POLITICAL DISTURBANCES.

1117. **Mr. Ganga Prasad Singh:** Is it a fact that instructions were issued in about 1920, in which district officers in many cases were ordered not to take action with regard to prominent offenders, but to deal only with the lesser fry responsible for political disturbances and asking district officers not to deal with Mahatma Gandhi? If so, can copies of such instructions or circulars be laid on the table?

**The Honourable Sir Harry Haig:** At the beginning of the non-co-operation movement of 1920 the policy of Government was not to prosecute the leaders merely on the general ground that they were advocating non-co-operation. The policy was stated in a Resolution issued by the Government of India on the 6th November, 1920.

**Mr. Ganga Prasad Singh:** Can I have a copy of that Resolution laid on the table? That is what I meant by my question?

**The Honourable Sir Harry Haig:** I ought to have added that the Resolution is reproduced in full in "India in 1920", to which I would invite my Honourable friend's attention.

**ENQUIRY INTO THE ECONOMIC CONDITION OF THE AGRICULTURISTS AND  
DECREASE IN PRICE OF PADDY.**

1118. **\*Raja Sir Vasudeva Rajah:** (a) Are Government aware that the price of paddy is going down steadily and is now lower than that in any previous year during the last 35 years?

(b) Are Government aware that in many districts in the Madras Presidency the price of paddy is only about one-third, and even less than one-third of what it was a few years ago?

**Mr. G. S. Bajpai:** (a) Yes.

(b) The price of paddy began to decline in 1929. A statement showing the retail prices in 1929 and 1933 at the chief rice-growing district centres in the Madras Presidency is laid on the table.

*Statement showing retail price of rice in Rupees per maund at the chief rice-growing district centres in the Madras Presidency.*

District.	1929.	1933.
Tanjore . . . . .	6.5	3.0
Trichinopoly . . . . .	7.2	3.2
Tinnevelly . . . . .	5.5	3.4
Coimbatore . . . . .	7.2	3.5
East Godavari . . . . .	6.1	3.5
West Godavari . . . . .	6.0	2.8
Kistna . . . . .	5.9	2.8

**Mr. M. Maswood Ahmad:** Is it a fact that the selling price of rice is less than the cost of production?

**Mr. G. S. Bajpai:** I am not in a position either to confirm or deny that.

**Mr. M. Maswood Ahmad:** Has the Agricultural Research Council considered this question, that nowadays the selling price is less than the cost of production?

**Mr. G. S. Bajpai:** I shall certainly make an inquiry from the Council of Agricultural Research.

**Raja Bahadur G. Krishnamachariar:** Independently also?

**Mr. G. S. Bajpai:** That must be left to the Local Governments

**Mr. M. Maswood Ahmad:** Do Government propose to consult the Tariff Board as to whether the time has come to give protection to rice as well?

**Mr. G. S. Bajpai:** I think questions on that subject have been answered before. So long as there is an export duty on rice, I doubt very much whether protection in the internal market is needed.

**Mr. M. Maswood Ahmad:** Do Government feel any difficulty in asking the Tariff Board whether the time has come to abolish the export duty and to have some import duty on rice?

**Mr. G. S. Bajpai:** The figures of import into this country do not warrant the reference of the question to the Tariff Board.

**Mr. M. Maswood Ahmad:** What is the harm in referring this matter to the Tariff Board? Is there any harm in it?

**Mr. G. S. Bajpai:** The Tariff Board pursues practical and not academic problems.

**Dr. Ziauddin Ahmad:** In view of the fact that the price of rice is one-third of the original price, has the Agricultural Research Council or the Agricultural Department ever made any definite proposals either to the Commerce Department or to the Finance Department for raising the price level of agricultural products?

**Mr. G. S. Bajpai:** I am not aware of proposals having been made either to the Finance Department or to the Commerce Department for raising the internal price level.

**Dr. Ziauddin Ahmad:** Is it not the duty of the Department to take the initiative in this matter?

**Mr. G. S. Bajpai:** The Department of Government here is as helpless as the agricultural department in any other country, because agricultural depression is an international phenomenon and cannot be dealt with by any one department of agriculture.

**Mr. C. S. Ranga Iyer:** Will Government be pleased to consider the idea of summoning a world conference of rice-producing countries as it is an international problem, as suggested by the Honourable gentleman?

**Mr. G. S. Bajpai:** I do not know whether I am competent to speak on that subject. The question probably relates to some other Department of Government, but the experience of the last World Economic Conference is not such as to encourage us to hold such a conference.

**Mr. E. S. Sarma:** Do not the Government view with alarm this dreadful fall in the price of paddy and the consequent depression in agricultural areas?

**Mr. G. S. Bajpai:** The Government of India as also the Local Governments view with great distress and sympathy the general fall in agricultural prices.

**Raja Bahadur G. Krishnamachariar:** Will they consider the question of the reduction in assessment which has already been made and which presses on us so heavily?

**Mr. G. S. Bajpai:** My Honourable friend's suggestion could be more appropriately made in a Provincial Legislature, because land revenue is a provincial subject. I am quite prepared to convey his suggestion to any Local Government which my Honourable friend may have in mind.

**Mr. K. C. Neogy:** With reference to the statement made by my Honourable friend a few moments ago that the Government here was as

helpless as any other Government in the world, may I know whether he has studied what steps, legislative and otherwise, Japan has taken for the purpose of steadying the internal price of rice?

**Mr. G. S. Bajpai:** I regret that I have not studied the action taken by Japan.

**Mr. T. N. Ramakrishna Reddi:** In view of the fact that Japan is importing rice into this country, will not the Government take steps to impose such duties . . . . .

**An Honourable Member:** That is the next question.

**Dr. Ziauddin Ahmad:** Is not the Agricultural Department in a very unfortunate position in this way? Every minor thing connected with agriculture is referred to the Provincial Governments, while major issues such as the rise of prices depend entirely on measures and policies controlled by the Government of India, the monetary policy being one of them?

**Mr. G. S. Bajpai:** So far as the monetary policy of the Government of India is concerned, the Honourable the Finance Member is in a better position to answer that than I am. The Agricultural Department of the Government of India is primarily concerned with promoting research and, to this extent, it is doing its duty.

**Dr. Ziauddin Ahmad:** What is the use of maintaining this Department when the country cannot produce agricultural articles at economic prices?

**Mr. G. S. Bajpai:** My Honourable friend does not suggest it that the present prices are economic prices.

**Mr. M. Maswood Ahmad:** Is it not a fact that Provincial Governments cannot take off the export duty?

**Mr. G. S. Bajpai:** The export duty has been imposed as a central duty.

**Mr. S. C. Mitra:** Will the Honourable Member tell the House what steps his Department, as an Agricultural Department, has taken to remedy the general depression of agricultural prices throughout India, in fact throughout the world?

**Mr. G. S. Bajpai:** The general question of India's participation in any international effort to raise the level of prices was probably considered when India participated in the World Economic Conference.

**Mr. M. Maswood Ahmad:** Will Government be pleased to state how they can be in a position to judge whether the time has come or not to abolish this export duty?

**Mr. G. S. Bajpai:** The question relates not to the abolition of the export duty but to the prices of paddy in Madras.

**IMPORT OF PADDY INTO INDIA BY JAPAN:**

**1119. \*Raja Sir Vasudeva Rajah:** (a) Is it a fact that Japan is importing paddy into India and are Government aware that it is creating a further economic depression both in Burma and in India?

(b) Has the attention of Government been drawn by the Burma Indian Chamber of Commerce to this grave situation by representations made recently by them?

(c) Are Government taking any action in the matter? If so, will they be pleased to state what steps are being taken?

**The Honourable Sir Joseph Shore:** (a) Imports of rice from Japan during the four months July to October, 1933, inclusive, amounted to 86 tons only.

(b) Representations have been received from the Burma Indian Chamber of Commerce.

(c) Government are carefully watching the position.

**Mr. C. S. Ranga Iyer:** Is it a fact that the surplus rice of Siam is being dumped into India?

**The Honourable Sir Joseph Shore:** That, Sir, is a separate question entirely.

**Mr. C. S. Ranga Iyer:** But it comes under the category of questions relating to the dumping of rice into India from Japan? Siam is generally misunderstood for Japan. Is that not a fact?

**The Honourable Sir Joseph Shore:** I am sorry, I do not myself confuse Siam with Japan.

**Mr. C. S. Ranga Iyer:** Is there a general misapprehension in the public mind that rice from outside is being dumped and that Siamese or some other rice is taken for Japanese rice?

**The Honourable Sir Joseph Shore:** In reply to a question which I think stands on the question paper today, I shall be in a position to relieve the minds of Honourable Members even on that point, *viz.*, in regard to the total imports of rice into India. Up to the end of October, 1933, the imports of rice into India were 4,000 tons less this year than during the corresponding period of last year.

**Mr. R. S. Sarma:** Will Government be pleased to state whether they will immediately make inquiries as to the importation into India of Japanese rice since October, 1931, and convey the information to this House at an early date?

**The Honourable Sir Joseph Shore:** I shall certainly do so, but I have no reason to believe that there has been any very large importation since the 1st November.

**Dr. Ziauddin Ahmad:** May I ask whether Japan has got any export duty on rice, or is there any country in the world foolish enough besides ourselves, to put an export duty on rice?

**The Honourable Sir Joseph Bhoré:** My Honourable friend evidently does not remember the answers to questions put by himself or, at any rate, by my Honourable friend, Mr. Maswood Ahmad. I have given information on a previous occasion as to certain countries which did have an export duty on rice.

**Mr. C. S. Ranga Iyer:** Is there a general misapprehension in the public mind, created by something like a forecast by the Japanese Government about the production of rice for the forthcoming year, that there is likely to be an enormous surplus?

**The Honourable Sir Joseph Bhoré:** I am not sure that I have myself seen that forecast so that I cannot say, if such a forecast has been made, what its effect has been on the public mind in this country.

**Mr. C. S. Ranga Iyer:** Is the Honourable Member aware that Japan has produced or is likely to produce this year more rice than she has produced in the past and that there has been an enormous production of rice in the Korean side of Japan?

**The Honourable Sir Joseph Bhoré:** I think my Honourable friend's suggestion is probably right, namely, that the production of rice in Japan this season will be in excess of the normal.

**Mr. M. Maswood Ahmad:** Is it a fact that the countries which have export duties on rice are all under the British Government?

**The Honourable Sir Joseph Bhoré:** No, Sir. I think Siam is one of such countries, and I do not confuse Siam with Burma.

**Mr. Amar Nath Dutt:** Are Government aware of the Press report that about 7,000 tons of rice have been imported into India from Japan recently?

**The Honourable Sir Joseph Bhoré:** Sir, as I promised my Honourable friend, Mr. Sarma, I shall certainly make inquiries as to the course of imports of rice into this country since the 1st November, but I have no information which endorses the suggestion put forward in that Press report.

**Mr. E. S. Sarma:** May I inform the Honourable Member that this statement was freely used by Honourable Members in the discussions in the Madras Legislative Council and that it was not contradicted by any Member of the Government?

**The Honourable Sir Joseph Bhoré:** I am not aware of that, Sir.

**Mr. Amar Nath Dutt:** And it has been repeated in the *Indian Economist* too.

**Mr. Lalchand Navalrai:** May I know from the Honourable Member as to when, in view of this fact that there has been and is dumping of rice, the negotiations between the Delegates from Japan and the British Delegates will come to a close?

**The Honourable Sir Joseph Bhoré:** My Honourable friend takes it for granted that there is dumping. I suggest there is no dumping, judging from the figures that are available.

**Mr. Lalchand Navalrai:** But I want to know the answer to the other part of my question, *vis.*, when are the negotiations going to be closed because there is some misunderstanding outside?

**The Honourable Sir Joseph Bhoré:** I thought the second part of my Honourable friend's question depended upon the first, but apparently it does not. So far as the duration of the negotiations is concerned, I regret I am not in a position to give him any information.

**Mr. R. S. Sarma:** Is the Honourable Member aware that a question similar to this was put about a fortnight ago in the House of Commons and that the Secretary of State replied that it was engaging the attention of the Government and of the members of the Japanese Delegation?

**The Honourable Sir Joseph Bhoré:** I remember seeing that question, and, as I have already said in reply to a question put to me, the position is being carefully watched by the Government of India. In fact I may give to the House one piece of information and it is this, that on hearing these rumours of impending importations of Japanese rice into this country I informally approached His Excellency the Leader of the Japanese Delegation, and the reply of the Leader was most courteous and most useful and helpful to us.

**Mr. Amar Nath Dutt:** May I know whether the present negotiations with Japan have anything to do with the Government not taking any steps against Japanese rice being imported into this country?

**The Honourable Sir Joseph Bhoré:** I cannot say that they directly have, but obviously, when we are attempting to come to a friendly arrangement with a foreign nation, there are strong arguments against taking any action which may create an unfriendly atmosphere.

**Mr. Amar Nath Dutt:** Even if the agriculturist dies of starvation?

**The Honourable Sir Joseph Bhoré:** My friend is dealing with a purely hypothetical question.

**Mr. Amar Nath Dutt:** It may be characterised as hypothetical or academic to avoid the real issue, but it is a dire fact.

**The Honourable Sir Joseph Bhoré:** My Honourable friend is dealing with the question of imports into this country and, from that point of view, I suggest to him that the facts which are available show that the question which he has raised does not really arise.

**Mr. K. C. Neogy:** With reference to the statement made by my Honourable friend that he had an informal discussion with the Leader of the Japanese Delegation about the export policy of Japan with regard to rice, do I expect the Honourable Member to have a further discussion with the Japanese Delegation for the purpose of finding out exactly how they are meeting the similar situation of low prices of rice in their own country?

**The Honourable Sir Joseph Bhoré:** No, Sir. I do not think that is called for.

**Mr. K. O. Neogy:** Do I take it that that would be excluded from the purview of an informal discussion even?

**The Honourable Sir Joseph Bhoré:** The Honourable Member must realise that the Government of India are not anxious to invite suggestions from foreign Governments as to how they should deal with matters in their own country.

**Mr. K. O. Neogy:** May I remind the Honourable Member of a confession of helplessness on the part of the Government in this matter, a state of things which could be settled more easily if Government knew what was being done in other parts of the world?

**The Honourable Sir Joseph Bhoré:** My Honourable friend is not aware of the fact that the prices in Japan are also extraordinarily low.

**Mr. K. O. Neogy:** Does my Honourable friend get a copy of the *Japanese Trade Bulletin* which is sent regularly to us, and will he look into the latest number? He will find therein ample justification for the statements made on the floor of the House with regard to the policy adopted by Japan in the matter of steadying the internal prices of rice in that country, and also with regard to the immense surplus which they expect from their own country as also from Korea and other places in the near future.

**The Honourable Sir Joseph Bhoré:** I am aware of the fact and that is why I said that the harvest in Japan this year was likely to be so large as to lead to a fall in Japanese prices.

## UNSTARRED QUESTIONS AND ANSWERS.

### STARTING OF KILNS AND MANUFACTURE OF BRICKS FOR CONSTRUCTION OF NEW QUARTERS IN NEW DELHI.

163. **Mr. S. G. Jog:** (a) Will Government be pleased to state if in the last tenders invited by the Public Works Department, Delhi, for construction of Government buildings in connection with the re-opening of the New Capital project, there is a clause making it incumbent on Government to give lands of the old Government kilns (now within municipal limits and since being filled up) to the successful contractors free of charge or on nominal charge for starting kilns and manufacturing bricks at their own cost for the aforesaid works?

(b) If the answer to part (a) be in the negative, will Government be pleased to state if they intend to allot such old kiln sites to successful contractors for purposes of manufacturing bricks and by way of financial help to them?

(c) Are Government aware of the fact that the Old and New Delhi Municipalities have by mutual agreement created terminal tax posts at Saidar Jang and near Jungpura and have agreed to divide the proceeds of the realisation of taxation equally?

(d) Are Government aware of the fact that bricks taken inside the municipal limits are charged terminal tax at the rate of annas 8 per thousand bricks and the yearly municipal income from this tax is in the neighbourhood of Rs. 40,000?



(e) In case Government are contemplating giving old kiln sites within municipal limits to contractors for the purpose of manufacturing bricks, will Government be pleased to state if any terminal or other tax of annas 8 per thousand will be charged on these bricks?

(f) Will Government be pleased to state if they have received any representation from the inhabitants of New Delhi area, praying that the lands be not given for purposes of opening kilns?

(g) Will Government be pleased to state if, in order to facilitate the transport of bricks from these kiln sites they intend to relay the Imperial Delhi Light Railway line in the New Capital area? If so, what will be the probable cost of such an undertaking, and do Government propose to realise this cost from the said contractors?

**The Honourable Sir Frank Noyce:** (a) No. I may further mention that the area referred to is not being filled up as is suggested in the question.

(b) Yes, but not as financial help. The object in view is to obtain a good quality of bricks, and to control their supply.

(c) Yes.

(d) Yes.

(e) The lessees of the brick kilns will conform to the regulations of the local Administration.

(f) No.

(g) The proposal is under consideration, but I am not in a position to give any information at present.

#### CLOSING OF PRIVATE KILNS AFTER COMPLETION OF THE FIRST INSTALMENT OF THE NEW CAPITAL PROJECT.

164. **Mr. S. G. Jog:** Will Government be pleased to state if they are aware of the fact that after the completion of the first instalment of the New Capital project, Government and private kilns situated within the New Delhi area were closed for good in order to avoid mosquito breeding due to collection of rain water in the operated area and in the interest of public health?

**The Honourable Sir Frank Noyce:** No. The kilns were closed down because bricks were no longer needed in large quantities.

#### TRANSPORT OF BRICKS FROM PRIVATE KILNS TO THE WORKS IN NEW DELHI.

165. **Mr. S. G. Jog:** (a) Will Government be pleased to state if they are aware of the fact that a fairly large number of private kilns exist on the outskirts of the New Capital area and along the Delhi-Muthra and Delhi-Qutab roads and that they manufacture bricks to Government specifications, and if they have considered that with the help of the Imperial Delhi Railway those private kilns will be able to supply all Government requirements for the next two or three years?

(b) Will Government be pleased to state if they are aware of the fact that the old Delhi Municipal Committee, in order to have access to the new proposed dumping ground near Okhla propose laying out a line passing near some of these private kilns and also propose purchasing light railway material from the Delhi Public Works Department for the purpose?

(c) Will Government be pleased to state if they are prepared to arrange with the Delhi Municipality for the transport of bricks from the private kilns to the works in New Delhi?

**The Honourable Sir Frank Noyce:** (a) Government have made enquiries and find that the bricks manufactured by the owners of private kilns are of a quality lower than that provided for in the Public Works Department specifications, and are, moreover, not available in large quantities. Apart from these considerations, Government have no intention of opening up their own kilns or of coming to any agreement with the owners of private kilns with regard to the supply of bricks.

(b) Government have no information in the matter. Moreover, light railway material will not now be available for sale.

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

#### OFFER FROM PRIVATE KILN OWNERS FOR SUPPLY OF BRICKS TO GOVERNMENT IN NEW DELHI.

166. **Mr. S. G. Jog:** (a) Will Government be pleased to state if they have received any representations from the contractors to the effect that private kiln owners will have a pool and will raise the rates of bricks, if the old kiln sites are not allotted to them for the purpose of manufacturing bricks for the works secured by them? If so, have Government made any enquiries into the matter?

(b) Will Government be pleased to state if they have received any offer from private kiln owners to the effect that they will supply bricks for the next two or three years at the rates now prevailing? If not, are Government prepared to invite tenders from them to this effect?

**The Honourable Sir Frank Noyce:** (a) Government have received no such representations from contractors. It is, however, understood that the prices of bricks have already been raised owing to the small supply available.

(b) No. As regards the second part of the question, the Honourable Member is referred to my reply to question No. 165 (a).

#### STARTING OF KILNS IN NEW DELHI.

167. **Mr. S. G. Jog:** Will Government be pleased to state, in case the old kiln sites are allotted to the contractors, what will be the cost of re-filling the operated area and how do Government propose to meet this cost?

**The Honourable Sir Frank Noyce:** Government do not expect any increase in the expenditure over that already provided for in the Capital Project, for the reconditioning of this area.

#### STARTING OF KILNS IN NEW DELHI.

168. **Mr. S. G. Jog:** Will Government be pleased to state if before the allotment of these kiln areas to the contractors they propose to consult the Health Officer, New Delhi Municipal Committee, regarding the advisability of re-opening these kilns, keeping in view the consideration of public health?

**The Honourable Sir Frank Noyce:** Such action as may be required by regulations laid down by the local Administration will be taken.

**CERTAIN DEFECTS IN THE QUARTERS FOR MEMBERS OF THE LEGISLATIVE ASSEMBLY IN SIMLA.**

169. **Pandit Satyendra Nath Sen:** (a) Are Government aware that the quarters for Members of this House in Simla are not fitted with ventilators and that the windows are not fitted with iron-bars?

(b) Are Government aware that the necessity for these is keenly felt by the Members?

**The Honourable Sir Frank Noyce:** (a) Some quarters are fitted with ventilators—others are not. No iron bars have been provided in any quarters.

(b) So far there have been no complaints.

**SUB-POST OFFICES CONVERTED INTO BRANCH OFFICES AND BRANCH OFFICES CONVERTED INTO EXTRA-DEPARTMENTAL OFFICES IN THE BENGAL AND ASSAM POSTAL CIRCLE.**

170. **Mr. S. C. Mitra:** Will Government please lay on the table a statement showing the number of:

- (i) departmental sub post offices converted into branch offices; and
- (ii) departmental branch offices converted into extra-departmental branch or sub offices,

in the Bengal and Assam Postal Circle since 1930?

**The Honourable Sir Frank Noyce:** Government regret that the figures since 1930 are not readily available. The latest figures available are those for the period from the 1st February, 1931 to the 31st January, 1933, and are as follows:—

- (i) 3
- (ii) 75

**APPOINTMENTS IN CERTAIN CADRES REDUCED IN THE BENGAL AND ASSAM POSTAL CIRCLE.**

171. **Mr. S. C. Mitra:** Will Government please lay on the table a statement showing the number of appointments reduced in:

- (i) the selection grade,
- (ii) the ordinary time-scale cadre, and
- (iii) the postmen cadre,

in the Bengal and Assam Postal Circle?

**The Honourable Sir Frank Noyce:** Government regret that the information required by the Honourable Member is not readily available and could not be obtained without much time and labour. His attention is however invited to the reply given in this House on the 12th December, 1932, to his unstarred question No. 236.

**STANDARD FOR CALCULATING THE ESTABLISHMENT CHARGES OF EXTRA-DEPARTMENTAL SUB OR BRANCH POST OFFICES.**

172. **Mr. S. C. Mitra:** (a) Is it a fact that Government have fixed a new standard for calculating the establishment charges of extra-departmental sub or branch post offices?

(b) Is it a fact that the standard, if applied, would result in the reduction of allowances of the extra-departmental agents?

(c) Is it a fact that Government's order is that in applying the standard the emolument of an extra-departmental agent should not be reduced by more than ten per cent. of his present allowance, and are Government aware that reductions in some cases have exceeded this limit?

(d) Is it a fact that in some cases, in order to bring about full reduction in allowance, incumbents have been replaced by new recruits?

(e) Is it a fact that Babu Ananta Kumar Roy, the extra-departmental agent, Hatibandha Post Office, Rangpur, Bengal was replaced by a new man to give effect to the new standard?

**The Honourable Sir Frank Noyce:** (a) No. The orders referred to have reference only to the monthly allowances of extra-departmental branch postmasters.

(b) The orders may have led to a reduction of allowances in some cases.

(c) The reply to the first part of the question is in the affirmative so far as it relates to persons holding the posts of extra-departmental agents on the date on which the order referred to was issued. As regards the second part, Government have no information.

(d) and (e) Government have no information. Heads of Postal Circles are competent to deal with such cases. If the extra-departmental agent referred to in part (e) considers that he has any grievance, it is open to him to represent the matter through the proper official channel.

#### PROMOTION TO THE LOWEST SELECTION GRADE IN POST OFFICES AND RAILWAY MAIL SERVICE.

175. **Mr. S. C. Mitra:** Is it a fact that promotion to the lowest selection grade, both acting and permanent, in Post Offices and the Railway Mail Service are made from amongst the time-scale men according to seniority?

**The Honourable Sir Frank Noyce:** The fact is not exactly as stated. The promotions referred to are made not merely by virtue of seniority but also after a consideration of the officials' past records and known capabilities, except in short officiating vacancies where promotions are usually made by local arrangements.

#### UNDERTAKING OF HONORARY WORK BY GOVERNMENT SERVANTS.

174. **Mr. S. C. Mitra:** Is it a fact that under Government Servants' Conduct Rules a Government official cannot undertake any honorary work in any unrecognised institution without the previous permission of Government?

**The Honourable Sir Harry Haig:** Rule 15 of the Government Servants' Conduct Rules (a copy of which is in the Library) provides that a Government servant may not, without the previous sanction of the Local Government, engage in any trade or undertake any employment, other than his public duties.

#### UNDERTAKING OF HONORARY WORK BY GOVERNMENT SERVANTS.

175. **Mr. S. C. Mitra:** Are Government aware that many postal employees have undertaken the job of office-bearership of many Associations and Unions not recognised by Government? If so, are Government prepared to take steps to forbid them to do so?

**The Honourable Sir Frank Noyce:** The reply to the first part of the question is in the affirmative. As regards the second part, Government do not propose to take any action against the officials so long as their official duties are not impaired or so long as they do not infringe the Government Servants' Conduct Rules.

#### INTRODUCTION OF FURTHER RETRENCHMENT MEASURES DURING THE CURRENT YEAR.

176. **Mr. S. C. Mitra:** (a) Is it a fact that as a result of retrenchment measures in the Posts and Telegraphs Department effected up till the 31st March, 1933, there has been an annual saving of Rs. 72 lakhs?

(b) Is it a fact that Government are contemplating introduction of further retrenchment measures during the current year?

(c) If so, what will be the net amount of saving by the 31st March, 1934, as a result of these measures?

**The Honourable Sir Frank Noyce:** (a) The annual rate of saving is estimated at about eighty lakhs of rupees, but it will be some time before it is fully effective.

(b) and (c). The search for economy in the expenditure of the Department continues and must continue unabated until its financial position becomes satisfactory, but no specific measures other than those already in operation are at present in contemplation. If, however, the Honourable Member refers to measures of economy suggested in the Report of the Telegraph Establishment Enquiry Committee, 1932-33, which was presided over by Mr. S. P. Varma, his attention is invited to the reply given to Mr. B. N. Misra's starred question No. 844 in this House on the 12th September, 1933. In the circumstances it is not possible to give any estimate of the kind desired by the Honourable Member.

#### SEPARATION OF REVENUE STAMPS FROM THE ORDINARY POSTAL STAMPS.

177. **Mr. S. C. Mitra:** (a) Is it a fact that revenue stamps, which will be separated from the ordinary postal stamps from April, 1934, will be sold through post offices as before?

(b) If so, will any amount be credited to the Posts and Telegraphs Department for the services done through the post offices to the Provincial Governments?

**The Honourable Sir Frank Noyce:** (a) Yes.

(b) No.

#### RECOMMENDATIONS OF THE TELEGRAPH ESTABLISHMENT ENQUIRY COMMITTEE.

178. **Mr. S. C. Mitra:** (a) Is it a fact that the Telegraph Establishment Enquiry Committee under the presidentship of Mr. S. P. Varma, have submitted their report to Government?

(b) Have Government considered all the recommendations made by the Committee?

(c) What is the total amount of saving suggested by the Committee?

(d) Do Government intend to accept those recommendations?

**The Honourable Sir Frank Noyce:** I deal with questions Nos. 178 and 179 together.

Government have received the Report of the Committee, and for particulars of the recommendations in it I would refer the Honourable Member to the copy which is in the Library of the House. Consideration of the Report was deferred as it was thought desirable to await the observations of the representative telegraph staff associations, which have only just been received by the Director-General of Posts and Telegraphs. Government will come to no decision on the recommendations of the Committee until they have been placed in possession of the views of the Director-General.

#### RECOMMENDATIONS OF THE TELEGRAPH ESTABLISHMENT ENQUIRY COMMITTEE.

†179. **Mr. S. C. Mitra:** (a) Is it a fact that the Telegraph Establishment Enquiry Committee have recommended a reduction of 757 Telegraphists?

(b) Do Government intend to accept the recommendation?

(c) If so, do Government propose to give effect to the recommendation by compulsory retirement of officials or by absorbing them in other departments?

#### AMOUNT COLLECTED THROUGH AMHERST STREET POST OFFICE, CALCUTTA, FOR DELIVERY OF UNPAID LETTERS.

180. **Mr. S. C. Mitra:** (a) Will Government please place on the table a statement showing month by month, the amount collected through Amherst Street Post Office, Calcutta, during the last one year on account of delivery of unpaid letters?

(b) Is it a fact that the amount collected during January and February, 1933, was abnormally high?

(c) Is it a fact that the permanent postmaster was on leave during that period and another gentleman worked as sub-postmaster?

(d) Is it a fact that the delivery clerks of Amherst Street Post Office who handle the unpaid letters are never changed and the present incumbent has been working as delivery clerk for a very long time?

**The Honourable Sir Frank Noyce:** (a) The amount collected on account of the delivery of unpaid letters from the Amherst Street Town Sub-Office during the last one year was as follows:

	Rs.	a.	p.
August 1932 . . . . .	234	4	3
September 1932 . . . . .	237	3	6
October 1932 . . . . .	190	12	3
November 1932 . . . . .	226	8	9
December 1932 . . . . .	218	12	9
January 1933 . . . . .	209	4	9
February 1933 . . . . .	236	11	3
March 1933 . . . . .	240	8	9
April 1933 . . . . .	226	5	0
May 1933 . . . . .	229	8	9
June 1933 . . . . .	198	13	6
July 1933 . . . . .	189	12	6
August 1933 . . . . .	236	2	9

(b) and (d) No.

(c) Yes.

†For answer to this question, see answer to question No. 178.

**ALLOTMENT OF TIME FOR DISPOSAL OF UNREGISTERED ARTICLES IN THE  
BENGAL AND ASSAM POSTAL CIRCLE.**

181. **Mr. S. C. Mitra:** (a) Is it a fact that the Bewoor Time Test Committee allotted time for disposal of unregistered articles, which has undergone a great change owing to the altered system of work and that the Postmaster-General, Bengal and Assam Circle, has recommended three minutes for each article?

(b) If so, will Government please lay on the table a copy of the correspondence that passed between the Director General and the Postmaster-General, Bengal and Assam?

**The Honourable Sir Frank Noyce:** (a) The Honourable Member presumably refers to the time allowance of 2·5 minutes allotted in the Bewoor Time Test for the disposal of each unregistered article consigned to a Dead Letter Office. A suggestion to increase the time allowance referred to was received from the All-India Postal and Railway Mail Service Union. The Postmaster-General, Bengal and Assam, gave an opinion to the effect that the allowance should be increased to 3 minutes. On examination of the question, however, it was decided that no alteration was necessary.

(b) Government are not prepared to lay on the table copies of departmental correspondence.

**ESTABLISHMENT OFFICERS IN THE MECHANICAL DEPARTMENT OF THE  
EAST INDIAN RAILWAY.**

182. **Mr. S. C. Mitra:** (a) How many Establishment Officers are there in the Mechanical Department of the East Indian Railway?

(b) Will Government please state what are the special qualifications required for those posts and whether the present incumbents of the posts possess those qualifications?

(c) Will Government please state what improvements, if any, have been made in the administration of the Department since these posts were created?

(d) Is there any establishment officer in the Electrical Department of the East Indian Railway? If not, why not?

(e) If the answer to part (d) be in the affirmative, will Government please state the special qualifications, if any, for which the present incumbent has been appointed to the post?

(f) Will Government please state the functions of the establishment officers of the Mechanical as well as Electrical Departments of the East Indian Railway?

**Mr. P. E. Rau:** (a) Three.

(b) It is necessary that the officer selected to fill this post should possess full knowledge of the rules and regulations affecting the service conditions of the staff and also possess aptitude for dealing with labour. The reply to the latter part of the question is in the affirmative.

(c) As a result of the employment of these officers better relations now exist between the railway and the workshop staff and the likelihood of any labour troubles has been diminished. This is due to the fact that

every workshop hand is now able to appear before the Employment Officer to complain of any alleged injustice and to obtain information on any matter he does not understand.

(d) No officer is exclusively employed as an Employment Officer in the Electrical Department as conditions do not necessitate this.

(e) Does not arise.

(f) The records of service of workshop employees are maintained under the supervision of Employment Officers who personally investigate complaints from staff regarding non-receipt or short receipt of, provident fund, gratuities, etc. Representations of grievances are carefully enquired into by them, they grant personal interviews to staff daily and promptly settle many minor disputes which would take time to settle by correspondence. They deal with paysheets, increases of pay, compensation under the Workmen's Compensation Act, gratuities, transfers, leave and loan applications and "Waiting Lists" wherein particulars of ex-employees desiring re-engagement are recorded.

#### INDIANISATION OF THE POSTS OF FOREMEN AND ASSISTANT FOREMEN ON THE EAST INDIAN RAILWAY.

183. **Mr. S. C. Mitra:** (a) Will Government please state the number of Foremen and Assistant Foremen employed in the Mechanical as well as Electrical Departments of the East Indian Railway?

(b) Will Government please state how many of those Foremen and Assistant Foremen are natural-born Indians and what arrangements have been made to Indianise these posts?

**Mr. P. R. Rau:** With your permission, Sir, I propose to reply to questions Nos. 183—186 and 188—190 together. All the information in the possession of Government with regard to the composition of staff of the classes mentioned is contained in Mr. Hassan's report. Government do not consider that the collection of the detailed information required which will involve a considerable amount of time and labour will serve any useful purpose.

The present policy of Government with regard to the recruitment of subordinate establishments on the Indian Railways is laid down in the Railway Board's letter No. 2395-E., dated the 23rd May, 1933, a copy of which is already in the Library of the House. The Honourable Member's attention is invited to para. 2 (1) of this letter in which it is clearly laid down that no branch of Railway Service should be reserved for any one class or community and that members of all classes or communities possessing the necessary qualifications should be eligible for appointment to any branch. Instructions have also been issued to the Agents of the State-managed Railways that except in very special cases no covenanted subordinates should in future be recruited from outside India and in cases where it becomes necessary to recruit such employees temporarily, understudies should be appointed so that they may be able to take their places on the expiry of their engagement.

#### PERCENTAGE OF INDIANS EMPLOYED IN THE ELECTRICAL AND MECHANICAL DEPARTMENTS OF THE EAST INDIAN RAILWAY.

184. **Mr. S. C. Mitra:** Will Government please state what percentage of the natural-born Indians employed in the Electrical and the Mechanical Departments of the East Indian Railway, draw more than Rs. 150 per month as salary?

†For answer to this question, see answer to question No. 183.



**PERCENTAGE OF EUROPEANS AND ANGLO-INDIANS EMPLOYED IN THE ELECTRICAL AND MECHANICAL DEPARTMENTS OF THE EAST INDIAN RAILWAY.**

†185. **Mr. S. C. Mitra:** Will Government please state what percentage of the domiciled Europeans and Anglo-Indians employed in the Electrical and the Mechanical Departments of the East Indian Railway draw more than Rs. 150 per month as salary?

**APPRENTICES RECRUITED IN THE JAMALPUR TECHNICAL SCHOOL.**

†186. **Mr. S. C. Mitra:** (a) Will Government please state how many domiciled European and Anglo-Indian, Grade I, apprentices were recruited in the Jamalpur Technical School each year from 1926 to 1933?

(b) Will Government please state the number of natural born Indian, Grade I, apprentices admitted in the Jamalpur Technical School each year from 1926 to 1933?

(c) Will Government please state on what basis domiciled Europeans, Anglo-Indians and natural born Indians are recruited as Grade I apprentices in the East Indian Railway Technical School at Jamalpur?

**PROMOTION TO HIGHER GRADES OF MECHANICS IN THE MECHANICAL AND ELECTRICAL DEPARTMENTS OF THE EAST INDIAN RAILWAY.**

187. **Mr. S. C. Mitra:** (a) Will Government please state whether any system of departmental examination exists for promotion to higher grades of Mechanics in the Mechanical and Electrical Departments of the East Indian Railway? If not, why not?

(b) Is it a fact that an employee may at any time be disqualified for promotion to the higher grade by his superior officer in the Mechanical and Electrical Departments of the East Indian Railway?

**Mr. P. B. Rau:** (a) No. The Agent reports that promotions to higher grades are made after due consideration of seniority, ability and service record and that the necessity for an examination has not so far arisen.

(b) It is obvious that his superior officer's opinion as to the employee's merits must carry weight.

**FIREMEN EMPLOYED IN THE OPERATING LOCOMOTIVE DEPARTMENT OF THE EAST INDIAN RAILWAY.**

†188. **Mr. S. C. Mitra:** (a) Will Government please state how many educated natural-born Indians are at present employed as firemen in the Operating Loco. Department of the East Indian Railway?

(b) Will Government please state the different scales of pay for existing firemen in the Operating Loco. Department of the East Indian Railway?

(c) Will Government please state the number of Indian, Anglo-Indian and domiciled European firemen employed in each scale?

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†For answer to this question, see answer to question No. 183.

(d) Will Government please state the qualifications required for appointment as firemen in each scale?

(e) Will Government please state how many educated Indians, employed in the higher scale, are working as independent firemen on the foot plates of engines and (i) what are the numbers of their years of employment; (ii) how many of them have qualified themselves as shunters, having passed the departmental examination; (iii) for how many years have they been waiting for promotion as shunters and why?

(f) Will Government please state how many Anglo-Indian and domiciled European firemen are at present employed in the higher scale in the Operating Loco. Department of the East Indian Railway?

**SHUNTERS EMPLOYED IN THE OPERATING DEPARTMENT OF THE EAST INDIAN RAILWAY.**

†189. **Mr. S. C. Mitra:** Will Government please state the number of educated Indian, Anglo-Indian and domiciled European shunters employed in the Operating Department of the East Indian Railway?

**DRIVERS EMPLOYED IN HIGHER GRADES IN THE OPERATING DEPARTMENT OF THE EAST INDIAN RAILWAY.**

†190. **Mr. S. C. Mitra:** (a) How many educated Indians, Anglo-Indians and domiciled Europeans are at present employed in the higher grade as drivers in the Operating Department of the East Indian Railway?

(b) Is there any educated Indian employed as a mail engine driver in the East Indian Railway?

**RUNNING ROOMS FOR DRIVERS, FIREMEN, ETC., ON THE EAST INDIAN RAILWAY.**

191. **Mr. S. C. Mitra:** (a) Is it a fact that there are only two types of running rooms for drivers, firemen, etc., on the East Indian Railway, one termed as rest house for Europeans and Anglo-Indians, and the other termed as Indian drivers' rest room?

(b) Have arrangements been made to accommodate the educated Indian firemen and drivers in the rest houses? If so, what?

(c) Are Government aware that the present running rooms for Indian drivers are not suitable for educated Indians?

(d) Is there any objection to allow the educated Indians, used to European mode of living, in the European rest houses?

(e) Is it a fact that certain communities, such as Parsees and Muhammedans, are allowed to rest in the European running rooms while the Hindus (even if of liberal views) are denied this privilege on the East Indian Railway?

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†For answer to this question, see answer to question No. 183.

**Mr. P. R. Rau:** The Agent, East Indian Railway, reports that Running Rooms for drivers, firemen, etc., have been built from time to time according to the standard designs in force at the time of construction. In some cases existing buildings with minor alterations have been utilised for this purpose. Government are informed that Indian drivers and firemen, are permitted to use all Running Rooms intended for drivers of their grades and that there is no special discrimination against Hindus in this respect. No special arrangements have been found necessary for providing special accommodation on the basis of education for Indian drivers and firemen.

**EMPLOYMENT OF COOLIES FOR CARRYING THE BOXES OF EUROPEAN AND ANGLO-INDIAN DRIVERS ON THE EAST INDIAN RAILWAY.**

192. **Mr. S. C. Mitra:** Is it a fact that to carry the boxes of European and Anglo-Indian drivers, coolies are employed by the East Indian Railway administration, whereas no such privilege is allowed to the Indian drivers?

**Mr. P. R. Rau:** The Railway Board are in communication with the Agent on the subject, and I shall place a reply on the table later on.

**INDIANISATION OF THE POSTS OF ASSISTANT RUNNING SHED FOREMEN, RUNNING SHED FOREMEN AND POWER TRANSPORTATION INSPECTORS ON THE EAST INDIAN RAILWAY.**

193. **Mr. S. C. Mitra:** (a) How many natural born Indians are employed as Assistant Running Shed Foremen and Running Shed Foremen in the East Indian Railway?

(b) Is there any Indian employed as Power Transportation Inspector in the East Indian Railway?

(c) What are the special qualifications required for these posts and what arrangements, if any, have been made to Indianise these posts?

**Mr. P. R. Rau:** (a) None.

(b) No.

(c) The qualifications required are a good knowledge of the mechanism and repair of locomotives and of the work performed by drivers and firemen in addition to the qualifications required of all supervising staff, viz., energy, organizing and controlling ability and tact in dealing with the staff. The vacancies in these posts are filled by promotion from amongst drivers, grades I, II and III and fitters, grades I and II. Amongst these there is at present only one Indian and this is reported to be due to the fact that at present the Indian drivers and fitters are not generally qualified for these posts from an educational point of view.

**CLASSIFICATION OF CIVIL DISOBEDIENCE PRISONERS.**

194. **Mr. S. C. Mitra:** (a) Is there any change in the policy of Government in the matter of classification of Civil Disobedience prisoners?

(b) Is it the duty of a trying magistrate to ask the Civil Disobedience convicts whether they want to put forth any claim for a higher class?

(c) Is it the policy of Government to place the Civil Disobedience convicts in the class of prisoners which such convicts ask for or to place them in the class which they deserve according to the classification rules? If the former, why were not Mahatma Gandhi, and other Civil Disobedience

convicts placed in the lowest class for which they requested the trying magistrate?

(d) Do Government make any distinction between the status of a husband and his wife in the matter of classification?

**The Honourable Sir Harry Haig:** (a) to (d). Prisoners convicted in connection with the Civil Disobedience Movement are classified under the ordinary rules, and there has been no change of policy in this matter. Classification in each case is a matter for decision by the courts in the first instance, and is subject to revision by the Local Government.

#### INSUFFICIENCY OF CLOTHES PROVIDED FOR PRISONERS IN THE AJMER JAIL.

195. **Mr. S. C. Mitra:** (a) Will Government please refer to the reply of Sir Evelyn Howell to question No. 998 of 29th March, 1932, regarding the giving of two pairs of *jangias* to each prisoner and inform the House if the prisoners have still to remain naked while they wash their only *jangia* and shirt even in the severe cold?

(b) Do Government still propose to continue this practice?

**Mr. H. A. F. Metcalfe:** (a) Each prisoner is now supplied with two *jangias* and two shirts.

(b) Does not arise.

#### APPOINTMENT OF DIWAN BAHADUR HARBILAS SARDA AS A NON-OFFICIAL JAIL VISITOR IN AJMER.

196. **Mr. S. C. Mitra:** (a) Are Government aware that Mr. D. H. Vakil, a non-official jail visitor, left Ajmer about a year ago and that none has yet been appointed in his place?

(b) Do Government propose to appoint Diwan Bahadur Harbilas Sarma in the vacancy so caused?

**Mr. H. A. F. Metcalfe:** (a) Mr. Vakil left Ajmer at the end of March, 1933, but has not been away continuously and visited the jail in July, 1933.

(b) Does not arise.

#### LACK OF PROPER ARRANGEMENTS FOR INTERVIEWS IN THE AJMER CENTRAL JAIL.

197. **Mr. S. C. Mitra:** (a) Are Government aware of the fact that there are no proper arrangements for interviews in the Ajmer Central Jail and that ladies and gentlemen have to remain standing in the sun or rain while interviewing the political prisoners?

(b) Do Government propose to make the necessary arrangements?

(c) Is it a fact that Srimati Shakuntala Devi Garg fainted on the night of the 4th September, 1933, and that she is also suffering from anaemia?

(d) Is it a fact that Sm. Urmila Devi is enceinte, and that on the night of the 4th September, 1933, her condition was serious?

(e) Is it not a fact that no special provision for diet, etc., has been made even in cases of persons in such delicate health?

(f) Have Government any objection if fruits, milk and other nourishment are provided to these ladies at their expense?

(g) Do Government object to outside medical aid?

**Mr. H. A. F. Metcalfe:** (a) A special room for interviews was constructed two years ago. Persons interviewing prisoners do not have to remain standing in the sun or rain.

(b) Does not arise.

(c) The answer is in the affirmative except that the prisoner fainted on the morning and not on the night of the 4th September.

(d) Srimati Urmila Devi's condition was not serious on the night of the 4th September, 1933.

(e) The answer is in the negative.

(f) 'C' class prisoners are not permitted to supplement their diet from outside except on medical grounds.

(g) Government provide fully qualified medical officers.

#### CLASSIFICATION OF CIVIL DISOBEDIENCE PRISONERS OF AJMER.

198. **Mr. S. C. Mitra:** (a) Is it a fact that the Commissioner of Ajmer-Merwara as usual asked the Superintendent of the Ajmer Central Prison, and the Superintendent of Ajmer-Merwara Police for their recommendations regarding the classification of Civil Disobedience prisoners of Ajmer sentenced on the 9th August, 1933?

(b) Is it a fact that both of them recommended superior class treatment for most of the lady Civil Disobedience prisoners?

(c) Is it a fact that some of these ladies had been placed in the "A" class on previous occasion?

(d) Is it not a fact that the husbands of some of these ladies were placed in the "A" class on more than one occasion?

(e) Is it not a fact that enquiry was made by the Superintendent of the Jail and the Superintendent of Police in regard to these ladies with others, and they were considered as fit for superior classes, and that they are still in the "C" class?

(f) If the answer to part (c) be in the affirmative, will Government please explain why it is so?

(g) Is it a fact that these ladies were given "C" class simply or mainly because they expressed their desire to be placed in the ordinary class?

**Mr. H. A. F. Metcalfe:** The answers to parts (a) to (e) are in the affirmative.

(f) and (g). The prisoners were placed, and are being retained in class 'C' at their own express desire.

#### DIET GIVEN TO NURSING MOTHERS CONVICTED DURING THE CIVIL DISOBEDIENCE MOVEMENT AT AJMER.

199. **Mr. S. C. Mitra:** (a) Is it a fact that out of 19 ladies recently convicted at Ajmer in connection with the Civil Disobedience Movement 12 have got small children in their bosom and that some of them are nursing mothers?

(b) Is it not a fact that even the nursing mothers are given the same diet as the ordinary convicts get?

**Mr. H. A. F. Metcalfe:** (a) The answer to the first part is in the affirmative and to the second part in the negative.

(b) The answer is in the negative.

**CHANNEL OF PROMOTION TO THE NEXT HIGHER GRADE FOR HEAD TRAINS  
CLERKS ON THE EAST INDIAN RAILWAY.**

200. **Rai Bahadur Lala Brij Kishore:** Will Government be pleased to state what is the normal channel of promotion to the next higher grade for Head Trains Clerks in the grade of Rs. 110 on the East Indian Railway?

**Mr. P. B. Rau:** Government have no information.

**DISABILITIES OF THE OLD OUDH AND ROHILKUND RAILWAY STAFF FOR  
PROMOTION TO NEXT HIGHER GRADES.**

201. **Rai Bahadur Lala Brij Kishore:** Will Government be pleased to state if the old Oudh and Rohilkund Railway staff working on the old East Indian Railway section, are not entitled to be fitted into the old Oudh and Rohilkund Railway staff grades on promotion to next higher grades? If so, why are they fitted in the lower East Indian Railway grades in force over the section? If so, are Government prepared to do away with this practice?

**Mr. P. B. Rau:** It is not a fact that the old Oudh and Rohilkund Railway staff, working on the old East Indian Railway section, are not entitled to be fitted into the old Oudh and Rohilkund Railway grades on promotion and are compelled to accept lower East Indian Railway grades in force over the section. The practice in force on the East Indian Railway is that if a man of the (old) East Indian Railway is transferred to a station on the (old) Oudh and Rohilkund Railway, he receives his old scales of pay and allowances or the (old) Oudh and Rohilkund Railway scales of pay and allowances, whichever is better. Similarly if an (old) Oudh and Rohilkund Railway man is transferred to a station on the East Indian Railway, he receives the (old) Oudh and Rohilkund Railway scales of pay and allowances or the (old) East Indian Railway scales of pay and allowances, whichever is better.

**FATWA GIVEN BY SOME ULEMAS OF DELHI ON THE FILM ENTITLED THE  
INSAN YA SHAITAN.**

202. **Mr. M. Maswood Ahmad:** (a) Is it a fact that the Ulama-i-Delhi, consisting of Maulvi Muhammad Mazharullah, Mufti Muhammad Kifaitullah, Maulvi Sultan Mahmood, Maulvi Muhammad Ishaq gave a unanimous *fatwa* on the sacrilegious film entitled the *Insan ya Shaitan*, which was published in Delhi on the afternoon of the 1st of September?

(b) Is it a fact that a poster containing the *fatwa* was delivered to Mr. F. B. Pool, the officiating Deputy Commissioner of Delhi on the evening of the 1st of September, 1933?

(c) Is it a fact that Maulvi Mufti Vilait Ahmad, Maulvi Abdul Majid, Secretary, Majlis-i-Ithrar and Nazim-i-Jamiat-i-Ulemai-Suba, Imam Ashraf Ali, Doctor Noor Ahmad, Secretary and Ghazi Muhammad Usman, President, Jamiat-i-Shabban-ul-Muslimin, and Mr. Gul-zi-bagh Ahmad waited upon Mr. F. B. Pool, officiating District Magistrate and requested him to suspend the show of the film as it was sacrilegious and highly injured the feelings of the Mussalmans?

(d) Is it a fact that Mr. Pool promised to take immediate steps in the matter on the very day (Sunday the 3rd of September, 1933)?

(e) Is it a fact that the film *Insaan ya Shaitan* was not ordered to be stopped, and finished its 15 days' course on Thursday, the 7th September, 1938?

(f) Will Government please state the reasons as to why the film continued to be shown regularly upto the 7th September, 1938, after the religious authorities had waited upon and requested the Deputy Commissioner to stop it forthwith?

(g) Is it a fact that the said Magistrate expressed his opinion that the said film was a moral one and the religious authority of the Ulema was null and void?

**The Honourable Sir Harry Haig:** (a) Yes.

(b) A poster containing the *fatwa* was delivered to Mr. Pool on the 3rd September.

(c), (d) and (e). Yes.

(f) The facts are that Mr. Pool arranged for the film to be viewed by a few Muslim officials as requested by the deputation. This was done on the 3rd September by the City Magistrate and two Deputy Superintendents of Police, who reported on the following day that the film was not objectionable. Orders were passed the same day to the effect that no action was necessary.

(g) No.

#### ENTRUSTING OF RESEARCH WORK IN PISCICULTURE TO THE IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH.

203. **Mr. B. V. Jadhav:** (a) Will Government be pleased to state which of the provinces maintain a fisheries department?

(b) Will Government be pleased to say whether they have carried on research in pisciculture and what steps they are taking to continue it?

(c) Will Government be pleased to state whether they have got any experts in the Zoological Survey Department capable of carrying on work in pisciculture and what work they have been doing at present?

(d) Have Government considered the advisability of entrusting the work of research in pisciculture to the Imperial Council of Agricultural Research?

**Mr. G. S. Bajpai:** (a) Madras alone of all the provinces maintains a separate Fisheries Department, while Bihar and Orissa and Bombay have a Fisheries section under their respective Industries Departments. In the Punjab the administration of fisheries is carried on by a Fisheries Research Officer and in Burma by Deputy Commissioners who are in some districts assisted by special Fishery officers.

(b) Research in pisciculture has been carried on in Madras and the Punjab, and on a smaller scale in Bengal, Bihar and Orissa, and the United Provinces. Necessary steps are being taken by the Governments of Madras and the Punjab to continue such research.

(c) Yes. The work of all the officers of the Geological Survey on the aquatic fauna of India has a direct bearing on piscicultural problems and includes the conservation and classification of collections and the supplying of information to interested parties with reference to pisciculture and other subjects. As opportunities offer they carry out survey work on the distribution and bionomics of Indian fauna.

(d) To the extent to which it can be legitimately included under the term agricultural and veterinary research, rural pisciculture is already within the scope of the operations of the Imperial Council of Agricultural Research. In fact a scheme of research in rural pisciculture received from the Government of Madras is now under the consideration of the Council.

The Government of India have not considered the question of inviting the Council to extend its activities to the fishing industry in general.

**EXTERMENT ORDER SERVED ON ONE ROSHAN LAL GUPTA OF DELHI.**

**204. Mr. S. G. Jog:** Will Government be pleased to state:

- (a) whether one Roshan Lal Gupta, son of Lala Ramanand Gupta, a student of the Hindu College, Delhi, was served with an externment order, on or about the 26th February, 1933, by the Chief Commissioner of Delhi to leave Delhi within 24 hours;
- (b) whether the said student submitted an application stating that the order would interfere with the prosecution of his studies and that he was surprised that orders were issued against him as he had never taken interest in the political movement?
- (c) whether the Chief Commissioner subsequently allowed him to return to Delhi between the 8th and the 29th April, 1933, to enable him to sit for his Intermediate examination, and the said student failed at the examination;
- (d) whether the Chief Commissioner refused to give him further extension of the permission to prosecute his studies in Delhi;
- (e) if the answers to parts (a) to (d) be in the affirmative, whether they are prepared to order an enquiry in view of his assertion of innocence?

**The Honourable Sir Harry Haig:** (a) to (d). The answers are in the affirmative.

(e) Government are satisfied that there are good reasons for the action taken, I may add that Roshan Lal Gupta belongs to the Hissar District in the Punjab and not to Delhi.

**STOPPAGE OF INCREMENTS OF CERTAIN CLERKS IN THE ACCOUNTS DEPARTMENT, EAST INDIAN RAILWAY.**

**205. Mr. Bhupat Sing:** (a) Will Government be pleased to state whether the ordinary grade increments of a certain number of clerks in the Accounts Department, East Indian Railway, have been held up on the plea that they were irregularly fixed up in the new scale grade III from 1st October, 1926, due to their pay being charged against lump sum grant in the years 1926 to 1928? If so, will they please place on the table a statement showing the amount of the lump sum grant and the names of those clerks whose pay was charged against such grant, with their rates of pay and dates of appointment?

(b) Is there any official order to charge the pay of such men against the temporary grant? If so, will Government please furnish a copy of the order?



(c) Is it a fact that in some cases proper increments earned by men in the old East Indian Railway grade were not granted at the time of the fixation of their pay into the new scale? If not, why not?

(d) Are Government aware of the difficulties and hardships to which the clerks mentioned above have been put to on account of the sudden and unexpected stoppage of their increments after a lapse of about five years? If so, what steps do Government propose to take in order to remove their hardships?

**Mr. P. E. Rau:** (a) The pay of certain clerks in the office of the Chief Accounts Officer, East Indian Railway was refixed incorrectly in 1932 with retrospective effect and when the mistake was discovered the question of fixing the pay in accordance with rules was taken up and pending a decision of the question further increments were not allowed.

(b) Accounts Officers have been given discretion to entertain staff temporarily within limits.

(c) I am afraid I cannot give a definite reply to this question without making a laborious investigation into ancient history which seems unnecessary in view of my reply to the next part of this question.

(d) Orders have recently been passed regarding the manner in which their pay should be fixed which it is believed will remove any legitimate grievance.

#### **RULES REGULATING THE APPOINTMENTS OF INSPECTORS OF POST OFFICES AND RAILWAY MAIL SERVICE AND HEAD CLERKS OF SUPERINTENDENT'S OFFICES.**

**206. Mr. S. C. Mitra:** (a) Will Government be pleased to state whether any changes have been made in the rules regulating the appointments to posts of Inspectors of Post Offices, or Railway Mail Service, or Head Clerks of Superintendent's offices, since 1916?

(b) Before 1916 were such appointments made according to seniority, efficiency and educational qualifications?

(c) What changes have been made since 1916?

(d) Was any examination for selecting candidates to those posts held in 1916, or after that? If so, when and how many times?

(e) Was any change introduced in 1927? If so, why?

(f) Was any such examination held after 1924? If not, what would be the position of those officials who are fit for the posts?

(g) Do Government propose to consider the cases of those who have already completed 35 years of age or are about to complete that age and who find themselves unable to sit for any examination in order to possess the necessary qualifications for promotion to the posts of Inspectors of Post Offices and Head Clerks to the Superintendents?

(h) Do Government propose to make the examination open to all, irrespective of age?

**The Honourable Sir Frank Noyce:** (a) The reply is in the affirmative.

(b) The facts are substantially as stated by the Honourable Member.

(c) In 1916 a departmental examination was introduced as the method of selecting men to fill the posts of Inspectors of post offices and Head Clerks to Superintendents of post offices and this system was subsequently extended to the posts of Inspectors, Railway Mail Service. It still continues though there have been changes in detail from time to time.

(d) The reply to the first part is in the affirmative. As regards the second part. Government regret that precise information is not readily available.

(e) Yes. From the 1st September, 1927, the pay of the posts referred to in the reply to part (c), as well as of non-gazetted posts in the general line of the Post Office and Railway Mail Service carrying a scale of pay higher than the ordinary clerical time-scales, was revised and a new selection grade of Rs. 160—10—250 for all these classes of posts was created. A new departmental examination for promotion to all posts included in this new selection grade was also introduced. In 1928 it was decided to abolish the separate cadre of Inspectors and to form a combined cadre of all officials in the Inspectors' and general lines in the new selection grade just mentioned. But owing to certain practical difficulties disclosed by experience the new departmental examination mentioned above had to be abolished in March, 1932, and the former system of maintaining a separate cadre for officials in the Inspectors' line and of making appointments to that cadre by means of a separate departmental examination, was reverted to.

(f) Yes. The latter part does not arise.

(g) and (h). The reply is in the negative.

#### FILLING UP OF VACANCIES IN THE GAZETTED RANKS IN THE POST OFFICES.

207. **Mr. S. C. Mitra:** Is it a fact that certain vacancies in the gazetted rank in the Post Offices have recently been filled up? If so, do Government propose to take steps to fill up the vacancies in the non-gazetted selection grade also? If not, why not?

**The Honourable Sir Frank Hoyer:** If by filling up vacancies the Honourable Member means filling up vacancies permanently instead of in an officiating capacity, the reply to the first part is in the affirmative, and to the second in the negative. As regards the last part, the Honourable Member's attention is invited to the reply given to part (d) of Mr. S. G. Jog's starred question No. 728 in this House on the 7th September, last.

#### FILLING UP OF VACANCIES OF STAMP-VENDORS IN THE CALCUTTA GENERAL POST OFFICE AND TOWN SUB-OFFICES.

208. **Mr. S. C. Mitra:** (a) Is it a fact that the selling of stamps in Calcutta General Post Office and Town Sub-Offices will not be given in contract at present?

(b) Is it a fact that this postponement is due to the fact that the contractor, whose tender was accepted, is unwilling to undertake the job?

(c) Is it a fact that a number of vacancies are kept unfilled in Calcutta General Post Office to provide the stamp-vendors after the stamp selling is given in contract?

(d) Do Government propose to take early steps to fill up those vacancies by the approved candidates and the passed postmen?

**The Honourable Sir Frank Moyce:** (a) and (b). No. The contractor took up the work on the 16th November, 1933, some delay having occurred due to the settlement of details relating to the work and the training of the staff to be employed on it by the contractor.

(c) The vacancies referred to have been filled by qualified departmental stamp-vendors who would otherwise have been thrown out of employment.

(d) Does not arise.

#### LOCOMOTIVE ENGINES PURCHASED FOR STATE AND COMPANY-MANAGED RAILWAYS.

209. **Mr. K. P. Thampan:** Will Government be pleased to state the number of locomotive engines purchased during the last ten years for the State and Company-managed Railways in India and their respective costs?

**Mr. P. B. Rau:** During the past 10 years the State-managed Railways have purchased about 500 locomotives at a cost of about 8 crores of rupees and Company-managed Railways about 750 locomotives at a cost of about 6½ crores of rupees.

#### RAILWAY WORKSHOPS IN INDIA MAKING BOILERS AND SPARE PARTS FOR LOCOMOTIVE ENGINES.

210. **Mr. K. P. Thampan:** (a) Will Government be pleased to state which of the Railway Administrations in India have got workshops that can make boilers and spare parts for locomotive engines?

(b) Are there any workshops which with a little more outlay could be improved so as to undertake the manufacture of locomotive engines? If so, will Government be pleased to state their names and what will be the required amounts?

(c) What will be the approximate cost of starting a new workshop with all the latest equipments for the manufacture of locomotive engines at a suitable place in India?

**Mr. P. B. Rau:** (a) The only workshops which undertake the construction of locomotive boilers are the Bombay, Baroda and Central India Railway at Ajmer. The manufacture of spare parts for locomotives is undertaken by all Railway Administrations in their main workshops.

(b) The layout of existing workshops is not suitable for the economic construction of locomotives.

(c) It is estimated that a shop with a capacity of 50 locomotives and 50 spare boilers per annum will cost very roughly between 80 lakhs and a crore at present prices.

## CLERKS IN THE MILITARY ENGINEERING SERVICES.

211. **Mr. Lalchand Navalrai:** (b) Will Government be pleased to state the number of temporary and permanent clerks in the Military Engineering Services?

(b) When was the permanent cadre of the clerical establishment last increased?

(c) What was the number of temporary and permanent clerks before the increase of the above cadre?

(d) Why can all or majority of the clerical establishment not be brought on permanent cadre?

**Mr. G. R. F. Tottenham:** (a) There are now 488 permanent and some 539 temporary clerks.

(b) On 1st April, 1925.

(c) Before 1st April, 1925, there were 290 permanent and some 600 temporary clerks.

(d) Because the number of temporary clerks employed at any time depends on the work then in hand, and this factor is constantly varying.

## ENJOYMENT OF THE PRIVILEGES OF A PERMANENT INCUMBENT BY A TEMPORARY CLERK OF THE MILITARY ENGINEERING SERVICES.

212. **Mr. Lalchand Navalrai:** (a) Is it a fact that a temporary clerk in the Military Engineering Services enjoys the same privileges as regards annual increments and privilege leave as a permanent clerk?

(b) Is it a fact that it takes a temporary clerk several years to be brought on to the permanent establishment and that he has to revert to the minimum pay of his grade, *viz.*, Rs. 50 per mensem irrespective of the pay he is drawing at the time of such confirmation?

(c) Is it a fact that on becoming permanent a temporary clerk in the Military Engineering Services is not allowed to count his continuous regular service towards increment and pension? If so, why are temporary clerks in the Military Engineering Services subjected to such rules?

(d) Is it a fact that in the year 1925 several temporary clerks were brought on to the permanent establishment and allowed (i) to draw 75 per cent. of the pay being drawn by them as temporary clerks and (ii) to count their temporary service towards pension?

(e) Is it a fact that this concession was not extended to other temporary clerks who became permanent after 1925? If so, why?

**Mr. G. R. F. Tottenham:** (a) Yes, but the grant of privilege leave to temporary clerks is subject to the provisions of article 242 of the C. S. R.

(b) Yes.

(c) The answer to the first question is in the affirmative. The clerks concerned are governed by the general rule that only substantive service on a permanent establishment will qualify for pension and increment.

(d) and (e). The concessions were granted to those temporary clerks who came within the purview of article 370 of the C. S. R.

## MOTIONS FOR ADJOURNMENT.

SECRETARY OF STATE FOR INDIA'S EVIDENCE, BEFORE THE JOINT PARLIAMENTARY COMMITTEE re INDIA'S RIGHT OF RETALIATION IN HER RELATIONSHIP WITH THE DOMINIONS OF THE BRITISH EMPIRE.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Order, order:

I have received a notice from Mr. B. Das that he proposes to  
12 NOON. ask for leave to make a motion for the adjournment of the business of the House today for the purpose of discussing a definite matter of urgent public importance as follows.

"The evidence tendered by the Secretary of State for India before the Joint Committee in London on November 7th, denying India the right of retaliation in her relationship with the Dominions of the British Empire."

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

**The Honourable Sir Brojendra Mitter** (Leader of the House): Sir. I have no objection to the motion being moved, but I would ask you to postpone the consideration of this motion to a later date in view of the fact that we have not got full materials to go upon. We have only got some scrappy telegraphic summaries from London. We are taking steps to get a full report of the Secretary of State's evidence, which we expect will be available shortly. The discussion will be more satisfactory when we have got those materials.

**Mr. President** (The Honourable Sir Shanmukham Chetty): If the Honourable Member, Mr. B. Das, has no objection, the Chair would have no objection to postpone the discussion of this matter. If a further notice of this motion is given on any day before the end of next week, the Chair will waive the objection on the ground of urgency. The Chair agrees to postpone the motion, because the House can more usefully discuss this motion when more material is available.

**Mr. K. G. Neogy** (Dacca Division: Non-Muhammadan Rural): May I have your leave, Sir, just to say a few words. In view of the request made by the Government which you accepted for the adjournment of the consideration of this motion, must it necessarily come up as a motion for adjournment on a future day? Could we not expect the Government to set apart at least a part of an official day for the purpose of discussing it as a substantive kind of a motion?

**Mr. President** (The Honourable Sir Shanmukham Chetty): We are just concerned with the notice of the motion for adjournment given by the Honourable Mr. B. Das. So far as the Chair is concerned, it has announced that it will waive objection on the ground of urgency if it is moved at a later date. It will now be for Honourable Members to discuss the matter with the Leader of the Government later on and come to a decision.

**Mr. K. G. Neogy**: I was merely making an appeal to the Leader of the House through you, Sir.

**Mr. President** (The Honourable Sir Shanmukham Chetty): That is a matter for private discussion.

**Mr. Lalchand Navalrai** (Sind: Non-Muhammadan Rural): On a point of information, Sir. Is it necessary, when the consideration of this motion for adjournment is adjourned, that a fresh notice should be given by the Honourable Member concerned?

**Mr. President** (The Honourable Sir Shanmukham Chetty): I have said that if the Honourable Member gives fresh notice of this motion on any day before the end of next week, the Chair will waive the objection on the ground of urgency.

**Mr. Lalchand Navalrai**: So, notice is necessary.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Yes, it is necessary.

#### DUMPING OF JAPANESE RICE IN THE INDIAN MARKET.

**Mr. President** (The Honourable Sir Shanmukham Chetty): I have also received two notices—one from Mr. Amar Nath Dutt and the other from Mr. R. S. Sarma—relating to the same subject. Do I understand that Mr. Amar Nath Dutt is prepared to allow the Honourable Member (Mr. Sarma) to make his motion?

**Mr. Amar Nath Dutt** (Burdwan Division: Non-Muhammadan Rural): Yes, Sir.

**Mr. President** (The Honourable Sir Shanmukham Chetty): I have received a notice from Mr. Sarma that he proposes to ask for leave to move a motion for the adjournment of the business of the House today for the purpose of discussing a definite matter of urgent public importance, namely, the dumping of Japanese rice in the Indian market, thereby aggravating the already acute distress among agriculturists in this country. Before I inquire whether any Honourable Member has any objection to this motion, I would like to be satisfied that this motion is in order. The motion is made on the allegation that Japanese rice is being dumped into this country and the Chair must first be satisfied that there is ground for this allegation. Would Mr. Sarma give the Chair any information to show that there is ground for the allegation that the Japanese rice is being dumped into this country?

**Mr. R. S. Sarma** (Nominated Non-Official): Mr. President, we have not got any official statistics of the amount of rice imported except what was given on the floor of the House this morning by the Commerce Member, but I think all Members of this House have seen the reports in the newspapers during the last fortnight or more that Japanese rice is being dumped into the market, and there has been no contradiction whatsoever. The very fact that there have been questions on this subject this morning shows that there is an apprehension that Japanese rice is being dumped into the market of this country. Also, the second part of question No. 1119 says:

“Has the attention of Government been drawn by the Burma Indian Chamber of Commerce to this grave situation by representations made recently by them?”

Besides, when the question of land revenue assessment on paddy was discussed recently in the Madras Legislative Council, it was repeated by member after member that the position of the agriculturists has been considerably aggravated by the dumping of rice and the consequent fall in the price of paddy in the Madras Presidency, and the official Members—the Finance Member and the Revenue Member—who spoke on this subject never chose to contradict this statement. In view of this I think there is a reasonable apprehension that the report that we have heard is correct.

**Diwan Bahadur A. Ramaswami Mudaliar** (Madras City: Non-Muham-madan Urban): May I say a few words as to what I have come to know unofficially regarding this question of dumping? The statement appeared in the Madras press that about the 8th or 9th of this month a Japanese vessel came into the Madras harbour laden with about 7,000 tons of rice, 1,900 tons of which was intended for Madras consumption and to be unladen in the Madras harbour and the rest of it to be unladen in various harbours round the southern coast of the Madras Presidency and round the coast of the Bombay Presidency. The actual statement appeared in the papers a few days before the vessel was expected. The rice was supposed to have been shipped in Siam and carried through a Japanese boat; so it would be wrong to say that this rice came from Japan direct. It is Siamese rice according to the press reports, but was carried in a Japanese vessel, and the rice was intended to be unladen at various ports in the southern coast of India. That was the allegation on which certain Members of the Madras Legislative Council made representations. The Madras Government had neither the opportunity nor the means by which they could verify this statement, because customs being an Imperial department the Madras Government could not get any information on the subject. The Honourable Member's reply confined itself to the 31st October, but this fact appears to have arisen after that date, about the 8th or 9th of November. We are all anxious to know the real facts and if the Honourable Sir Joseph Blore will ascertain this specific fact from the Customs Department in Madras which he could do in a day or two and place it before the House, then Mr. Sarma or any other Honourable Member who is interested in this question would, I am sure, like to have its consideration adjourned till such date. We are not in a position to ascertain any of these facts officially; we could only get them from the press reports. Therefore, if the Honourable the Commerce Member would ascertain whether these allegations are correct and if he will make a statement on that question, the question of the adjournment of the House may be raised at a later date.

**Mr. C. S. Ranga Iyer** (Rohilkund and Kumaon Divisions: Non-Muham-madan Rural): I want the Honourable the Commerce Member to ascertain the connection between Siam and Japan in the matter though, as now evidenced by the speech of my predecessor, there is an apprehension about Siam and Japan having come to an agreement in regard to the dumping of rice into this country; so far as the storing of surplus in Siam, either way there is apprehension in the public mind and I hope my Honourable friend, Mr. Sarma, will not press his motion for adjournment today if the Honourable the Commerce Member will accede to the request made by the Leader of the Independent Party.

**The Honourable Sir Joseph Shore** (Member for Commerce and Railways): I shall be most happy to get at the earliest opportunity all the available information on this point so that Honourable Members' minds may be set at rest by any information that is forthcoming. However, my position has been rendered a little difficult by reason of the fact that the notice of adjournment referred to the dumping of Japanese rice. I naturally made all enquiries with regard to that and the result is that I was able to give the House the information that 66 tons had been imported into the country during the four months ending the 31st October. I shall now, in view of what my Honourable friend, the Leader of the Opposition, has said, try and obtain all further relevant information I can on this subject. The only other point I wish to emphasize is this, that even including rice from Siam the imports into this country have been 4,000 tons less during this half year than in the previous half year.

**Mr. C. S. Ranga Iyer:** Are they stored in Japan?

**Mr. R. S. Sarma:** The House is not now in full possession of the facts.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Does the Chair take it that the Honourable Member does not wish to press his motion today?

**Mr. R. S. Sarma:** I shall again give notice of this motion after the House is put in full possession of the facts and I hope you will waive the question of urgency and allow me to move my motion.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Properly speaking, any motion relating to the dumping of rice from Japan or from Siam must be made today as being the earliest day. The notice before the House by Mr. Sarma clearly relates to the Japanese rice and the Honourable the Commerce Member has given figures to show that, so far as Japanese rice is concerned, there has been no dumping and the Honourable Member, Mr. Sarma, has not given the Chair any information to establish the fact that there has been Japanese dumping and, on that ground, no matter of urgent public importance has been established to warrant the adjournment of the House and the motion will be out of order. But since Honourable Members have evidently got confused in their knowledge of geography about Siam and Japan, the Chair would condone that error and if, at a later stage, Honourable Members come in possession of more detailed information with regard to the dumping of rice, the Chair would not raise objection on the ground of urgency.

**Mr. C. S. Ranga Iyer:** May I just enquire from the Chair whether it will raise objection if investigation leads to a geographical contact between Siam and Japan?

**Mr. President** (The Honourable Sir Shanmukham Chetty): That does not arise.



## H. E. THE GOVERNOR GENERAL'S ASSENT TO BILLS.

**Mr. President** (The Honourable Sir Shanmukham Chetty): I have to inform the House that the following letter has been received from the Private Secretary to His Excellency the Viceroy:

"I have the honour to inform you that the following Bills, which were passed by both Chambers of the Indian Legislature during the Simla Session, 1933, have been assented to by His Excellency the Governor General under the provisions of sub-section (1) of section 68 of the Government of India Act:

1. The Workmen's Compensation (Amendment) Act, 1933.
2. The Land Acquisition (Amendment) Act, 1933.
3. The Indian Wireless Telegraphy Act, 1933.
4. The Indian Income-tax (Second Amendment) Act, 1933.
5. The Indian Railways (Amendment) Act, 1933.
6. The Cotton Textile Industry Protection (Second Amendment) Act, 1933.
7. The Indian Arbitration (Amendment) Act, 1933.
8. The Murshidabad Estate Administration Act, 1933.
9. The Cantonments (House-Accommodation Amendment) Act, 1933.
10. The Indian Tea Control Act, 1933.
11. The Indian Merchant Shipping (Second Amendment) Act, 1933.
12. The Dangerous Drugs (Amendment) Act, 1933.
13. The Indian Medical Council Act, 1933."

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## STATEMENT OF BUSINESS.

**The Honourable Sir Brojendra Mitter** (Leader of the House): With your permission, Sir, I desire to make a statement as to the probable course of Government business during the first week of the resumed Session. Members have already seen the Agenda Papers for today and tomorrow. You, Sir, have directed that the House shall not sit tomorrow and accordingly the business put down for tomorrow will be taken on Thursday. You, Sir, have already directed that the House should sit on Friday and on that day motions will be made to take into consideration and pass the Bill which is to be introduced today by Sir George Schuster to amend the Indian Tariff Act, 1904, the Indian Finance Act, 1931, and the Sea Customs Act, 1878, for certain purposes.

That, Sir, concludes my statement as regards the business of this week, but I may be permitted at the same time to say that the six working days of next week will be occupied by the motions for the consideration and passing of the Reserve Bank Bill and the Bill to amend the Imperial Bank of India Act.

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## THE INDIAN TARIFF (SECOND AMENDMENT) BILL.

**The Honourable Sir George Schuster** (Finance Member): Sir, I beg to move for leave to introduce a Bill further to amend the Indian Tariff Act, 1904, the Indian Finance Act, 1931, and the Sea Customs Act, 1878, for certain purposes.

[Sir George Schuster.]

The purpose of this measure is fully and, I hope, clearly set out in the Statement of Objects and Reasons. I should like to inform the House that we should not have thought of taking up this business during the present Session which will be mainly concerned with a very special purpose unless it had been a very urgent matter. The fact is that recently the practice has grown up for importing into this country a certain quality of oil which can be used for the same purposes that kerosene is used, namely, for burning as an illuminant in lamps, but which, for technical reasons, we cannot classify and tax as kerosene. The result of that is twofold. The first result is that there is a serious loss of revenue involved, a loss which at present we calculate as amounting to some thing like one lakh per month, and which, if the process extends, might be very largely increased. And the second result is that serious damage is being done to the Indian oil producing companies who are "playing the game", if I may say so, in this matter and not attempting to dispose of any oil for the purposes of burning as an illuminant except as kerosene on which they pay full duty. As a result of this interference with their business, there is the danger of unemployment and of loss of revenue to Provincial Governments where those companies are operating, such as Burma. I may say we have had very strong representations from the Government of Burma on the necessity for early action in this matter. That, Sir, I think is all I need say on the subject today. Sir, I move.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The question is:

"That leave be granted to introduce a Bill further to Amend the Indian Tariff Act, 1894, the Indian Finance Act, 1931, and the Sea Customs Act, 1878, for certain purposes."

The motion was adopted.

**The Honourable Sir George Schuster:** I introduce the Bill.

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## THE INDIAN NAVY (DISCIPLINE) BILL.

**Mr. G. R. F. Tottenham** (Army Secretary): Sir, I move for leave to introduce a Bill to provide for the application of the Naval Discipline Act to the Indian Navy.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The question is:

"That leave be granted to introduce a Bill to provide for the application of the Naval Discipline Act to the Indian Navy."

The motion was adopted.

**Mr. G. R. F. Tottenham:** I introduce the Bill.

## RESOLUTION *RE* RATIFICATION OF THE SILVER AGREEMENT...

**The Honourable Sir George Schuster (Finance Member):** Sir, I move the following Resolution :

"That this Assembly recommends to the Governor General in Council that he do ratify the Memorandum of Heads of Agreement entered into by the Delegates of India, China and Spain as holders of large stocks or users of silver, and of Australia, Canada, the United States, Mexico and Peru as principal producers of silver, at the Monetary and Economic Conference held in London, in July 1933."

I think the House is fully aware of the objects of the agreement referred to in this Resolution; but at the outset I should just like to remind Honourable Members of the main points in that agreement. On the one hand the Government of India would, under this agreement, bind themselves not to sell more than an average of 35 million ounces of silver annually for the four years beginning on the 1st January next. If we sell less than that quota in any particular year we can make it up in other years provided that we shall not in any single year sell more than 50 million ounces. The Government of Spain which also has stocks of silver of which it may wish to dispose binds itself not to sell more than an average of five million ounces per annum for the same period. But I may inform Honourable Members that although the Government of Spain has asked for this right, I understand that there is not very much chance of Spain disposing of silver at this rate, and, therefore, I think for all practical purposes we may regard the Government of India's position as the main factor on the selling side. As against the 35 million ounces which we should bind ourselves to regard as our maximum for annual sales, the Governments of the countries, that are interested in silver as producers, namely, the United States, Australia, Canada, Mexico and Peru, have agreed jointly to purchase in every year or otherwise to take off the market a total amount of 35 million ounces of silver. The result of that will be that any sales that we made on the one side will be neutralised by purchases on the other so that the market will be left to the free play of current production on the one side and current consumption on the other.

I might then turn to a second point, the question as to whether this agreement is of advantage to India, first, as regards India's direct advantage out of it and, secondly, as regards its indirect results on the course of the world's trade which of course concerns India very directly and in a very important way. With regard to the first question of India's direct advantage, I think there can be little doubt on that point. We do not really bind ourselves in any way which I think can be described as embarrassing to us, for the amount that we are entitled to sell represents a reasonable amount for us to regard as a maximum having regard to the stocks of silver that we possess. On the other hand, the existence of the agreement must, I think, give stability to the silver market which it would not otherwise have and must tend at least to keep prices higher than they otherwise would be. That, of course, is a great advantage to the Government of India as a holder of large silver stocks and as a potential seller of silver and it must also be of advantage to the great masses of people in this country millions of whom hold silver in various forms and for various purposes and who regard it ultimately as a store of value to which they can turn to help them out in hard times. I do not think, however, that it is enough merely to answer this first part of the question in the affirmative in order to support the present agreement. One must also consider the effects on world trade

[Sir George Schuster.]

generally; for it would clearly be short-sighted for India for the sake of the direct advantage with regard to silver to do anything which might adversely affect the course of the world's trade. It is, therefore, necessary to consider how the world's economic position is affected by a rise in silver prices. On that point I am afraid that I cannot myself agree with those silver enthusiasts who have regarded the fall in silver prices as one of the major causes of the present depression and who would, therefore, regard any rise in silver prices as likely to have an important effect in relieving us from that depression. I have to regard the fall in silver prices rather as an effect than as a cause of the present world depression. The silver enthusiasts argue that the purchasing power of India and China depends largely on the value of silver and they say that the fall in silver prices has reduced the purchasing power of half the population of the world. I think we, who live in India, know that that is not really strictly correct. For one thing India has not been on a silver basis as regards her currency since 1893; and for another thing we know that the purchasing power of India depends on the value of the merchandise which India can produce and export. We know that whereas in the ten years from 1920 to 1930 the average value of India's export of merchandise was something like 320 crores, in the last financial year that figure had dropped to somewhere about 185 crores. That is the reason for the falling off in India's purchasing power and the fall in the price of silver has very little to do with it. On the other hand if one turns to China the case is somewhat different, for China is still on a silver currency and one must consider what the effects of a rise in the price of silver would be on China's position, because China, after all, is an important factor in the world's trade in which we are all interested. Of course a rise in the price of silver or a fall in the price of silver would affect China in just the same way as an appreciation or depreciation of her currency would do. I may inform Honourable Members that, as I felt that the effects on China were a very important matter to take into consideration, when I first took part in these conversations in London, I refused to commit myself in any way as regards the proposals which had been put forward until I had had an opportunity of ascertaining how they were regarded by the Chinese delegates. China was very strongly represented at the London Conference and I was fortunate in having opportunities to discuss the matter very fully and very closely with their Finance Minister, Mr. T. V. Soong. I found that Mr. Soong was an enthusiastic supporter of the proposals which were put forward from the American side. He said that China's interests came in in three different ways; first of all, he was very anxious to see stable prices for silver. He was afraid that if nothing were done there might be a further slump in the price of silver which would be very embarrassing to India and China. He wanted to avoid that slump; he wanted to see stable prices. And, thirdly, if there was to be any tendency to any change at all, he wanted to see the change in the direction of a gradual,—not a sudden but a gradual,—appreciation, because that would produce confidence in China and also incidentally would be a great help to his own budgetary position. As I found that the Chinese delegates, who were besides ourselves the chiefly interested parties, were very strongly in favour of an agreement on these lines, I felt that it was right to proceed with it, both in our own interests and in the interests of a wider circle of trade. I do not think, in these circumstances, that there is any one who can really raise any objections to the agreement as

it stands. But there may be certain people who, in this matter, see the closely connected question of our policy as regards selling silver, and possibly certain Honourable Members may have something to say on that matter. |

Now, I think that there are people in India who on any given date would come to us and say "You ought not to sell a single ounce of silver". But I doubt very much whether any, even the extremists, of that school would go so far as to tell us now, looking back over our past record, "You were wrong to sell silver and you ought not to have sold in the past a single ounce of silver". I should like, as we are dealing with silver, to take this opportunity of putting before the House very shortly some facts as regards what has been done in the past in the way of silver.

In 1926, when the Hilton-Young Currency Commission reported, the Government of India held in their Currency Reserves 91 crores of silver rupees. We now hold 104 crores; our stocks have gone up by 13 crores, in spite of the fact that we have since then sold about 171 million ounces, equivalent to about 50 crores of rupees. The figures that I am giving are not absolutely up to date, but I have taken into account sales up to the middle of the present financial year. If we had not sold that silver, we should today be holding a stock of no less than 154 crores of silver rupees, quite a prodigious stock, which no one could possibly say was not larger than we possibly could require. Now, out of the silver that we have sold we have realised about £15½ millions, which has afforded us very valuable assistance over the past three or four very difficult years, and helped us to avoid borrowing to that extent and by so doing saved us from incurring charges which would certainly run to about 6 per cent. on about £16 millions. The average price that we have realised on the silver which has been sold represents about 20-1/5th d. per standard ounce whereas the present price is about 18½d. per standard ounce: so that even on these figures there is a profit; for today we could buy silver back at about 2d. per ounce less than what we sold it at. But these figures really do not reveal the true effect of our past sales, for two reasons: first of all, the present price of silver represents the price in sterling, the gold value of which has depreciated by about 88 per cent., whereas about £11-1/3 millions worth of silver that we sold was sold before September 1931, and, therefore, was sold against sterling on a gold basis. Now as during the three years preceding that we had bought a good deal of gold, about 10½ crores worth of gold in fact, and put it in our Currency Reserves, I think we can fairly say that a part of our silver proceeds is really represented by gold that we now hold, and if we liked to write up the gold to its full value we can say that instead of an average price of 20d. an ounce we have really averaged something like 27d. per ounce for that silver.

That is one point to take into account. But there is another point also which is not so nearly hypothetical as that, and that is that when you consider what your position would be today if you had not sold that silver, you have to take into account the interest that you have earned on the proceeds during the past three or four years: if we can earn or save interest at the rate of five per cent. per annum, then obviously every 20d. per ounce that we realised at the beginning of one year becomes equivalent to 21½d. per ounce at the end of the year. On a rough calculation we have earned or saved about £2½ millions sterling in interest on the silver which we have sold up to date, and if this is added to the price.

[Sir George Schuster.]

the price realised is really equivalent to a price of about 24d. an ounce today. I think that on those figures Honourable Members must agree that we have done good business in our policy of selling silver in the past.

But there may be some critics who say "At any rate as regards the future you ought to stop". To any who hold those views I would say that that criticism is not really relevant on the present agreement, because the agreement does not bind us to sell silver in any way. We remain perfectly free: we can decide our policy exactly as we think right. Therefore the agreement in no way ties our hands, and does not commit anybody to approving the policy of continued selling of silver. That, I think, describes the main factors which have to be taken into account in this situation.

I should like to close by describing very briefly what I consider to be the main significance of this agreement. In the first place, I think it should be welcomed as the one practical achievement of the World Economic Conference. Perhaps it is not a very large achievement, but still it has a real and important significance as a token of international co-operation. We as a Government feel that what is needed above all things now is international co-operation in economic matters; and this agreement is a tangible sign of our attitude on that subject which must for that reason be advantageous. We hope in particular that it may help to promote a good understanding with the United States where those who were interested in silver had previously been inclined to cherish rather bitter feelings against the Government of India on account of our selling policy. All that, I hope, has been changed by our London conversations, and I should like if I may to take this opportunity to testify my great appreciation of the attitude taken up by the United States representative, Senator Pittman, in this matter. If we on our side were ready to co-operate, we were merely responding to the first move made on the other side. The initiative and the devising of practical means for co-operation was supplied by Senator Pittman, and I can only regard his success in having got all those countries together to sign that agreement as a very great achievement for which he deserves not only the gratitude of his own country but of ours.

Secondly, when we come to consider the effects of the agreement, I have already dealt with those. I do not wish to exaggerate them, but I do think that any agreement of this kind which will tend to give stability to the market in an important commodity is a desirable one. If the agreement had been one which was likely to produce an unnatural rise in the price of silver, then I should have thought very differently about it, for I think that would have been a dangerous experiment, the effects of which might come back like a boomerang on those who launched it. We are doing nothing of that kind. All that this agreement does is to remove what may really be regarded as an unnatural factor from the silver market, the factor supplied by the selling policy of those, like ourselves, who have accidentally acquired large accumulations of silver in the past. It must be a good thing to remove that factor and leave the market in a healthy position of balancing current production and current consumption. Those are the two main points which, I should think, this House should take into account, but in its wider significance the point of doing something to encourage international co-operation is, I think, of the greater importance.

Before I close, I should like to say again that it is desirable not to exaggerate the importance of agreements like this and to recognise what are the true causes in our present world depression. The removal of the factors of India's sales of silver from the silver market is really of very little importance compared with the loss of purchasing power which has come upon India in the last few years.

Again, let me give the House just a few figures on this matter. If we take the average of the five years up to 1930, and if we take into account all the silver that the Government of India sold, nevertheless the net amount of silver which India took off the world's market on an average for those five years up to 1930 amounted to ninety-two million ounces per annum. As against that, in the last financial year 1932-33, the private import of silver practically ceased, and Government sales continued to some extent, and instead of India taking ninety-two million ounces a year off the silver market, India on balance put back eighteen million ounces on to the silver market, so that there is a switch over in India's demand of 110 million ounces per annum. Now, when we consider that the world's production of silver has never been more than about 260 million ounces in a year and is now reduced to something like 150 million, it is quite obvious what a terrific effect this change over of India's position must have on the silver market of the world. The important thing is, of course, that we should recover our purchasing power. We must get back again to something like 800 crores of our annual exports of merchandise, otherwise there can be no hope of recovery in the silver market or in anything else. Until we can sell abroad greater quantities at higher prices of our jute, cotton, oil seeds and hides, we cannot secure our normal roll in the consumption of silver. Let us hope that our friends in America will appreciate this and not put difficulties in the way of our selling them commodities like jute for which we rely so largely on their market. In short, let us hope that the spirit of co-operation in economic interests may spread to wider fields in silver. In the meanwhile, I would ask the House to ratify this agreement as a sign of our own desire to aid that spirit of co-operation.

**Mr. President** (The Honourable Sir Shanmukham Chetty): Resolution moved:

"That this Assembly recommends to the Governor General in Council that he do ratify the Memorandum of Heads of Agreement entered into by the Delegates of India, China and Spain as holders of large stocks or users of silver, and of Australia, Canada, the United States, Mexico and Peru as principal producers of silver, at the Monetary and Economic Conference held in London, in July 1933."

**Mr. B. Das** (Orissa Division: Non-Muhammadian): Sir, I congratulate the Honourable the Finance Member who was a delegate at the World Economic Conference on his being so very modest. Naturally he was modest, because he himself confessed that the so-called World Economic and Monetary Conference ended in a fiasco, and the only tangible thing they could show was this silver agreement. Sir, international financiers and international statesmen are like international crooks. When they cannot solve their own national problems, they try to convene international conferences; they meet there and talk there, and when they cannot come to any agreement, they adjourn those conferences *sine die*. Fortunately for them there was this little eastern problem, the silver agreement. The Finance Member was a party to it. I do not congratulate him for not having his lieutenants who represented India at that World Monetary Conference on the floor of the House. If, Sir, we think of the discussions

[Mr. B. Das.]

of anything that resulted from that World Economic Conference in any of the Parliaments of sovereign nations, what do we find? The representatives who attended those World Economic Conferences would have been sitting members of the respective Parliaments. They may be either members on that side or members on this side. Of course, Sir Cowasji Jehangir was co-opted just at the last moment of the beginning of the Conference, but he has taken to his heels to Bombay so that he is not here to utter a word of blessing to the Honourable the Finance Member. I was fortunately or unfortunately present in London, and I used to watch from day to day the results of the working of the World Economic Conference in the press. I was then a careful reader of the *Daily Herald*, and I found that the *Daily Herald* had from the very start predicted that this Conference would end in a fiasco, and it has ended in a fiasco . . .

**Mr. F. E. James (Madras: European):** It did end in a fiasco.

**Mr. B. Das:** My honourable friend, Mr. James, says it did end in a fiasco. He is now at last talking as a representative of the agricultural interests, because the Conference did not help in any way the friends of the capitalist nations or the statesmen of those nations that met in London.

My honourable friend, the Finance Member, paid a compliment to the United States diplomacy or the benevolent attitude of the United States. That country is overawing the whole world, not to speak of the silver countries of the world, for their own gain. I will just read a passage from a statement issued by President Roosevelt. So many statements were issued by President Roosevelt that the world is at a loss to know what he means and what he says, but I will just quote a few lines for the benefit of the Honourable the Finance Member. He said in a statement:

"The United States was seeking the kind of dollar which a generation hence will have the same purchasing and debt-paying power as the dollar we hope to obtain in the near future. Our broad purpose is the permanent stabilisation of every nation's currencies. Gold or gold and silver —"

I want the Honourable the Finance Member to note the word "silver" —

"Gold or gold and silver can well continue to be a metallic reserve behind currency, but this is not the time to dissipate gold reserves."

Well, Sir, what is sauce for the goose is not sauce for the gander. What is good for the United States is not good for the "subordinate" country of India. I should like, when the Honourable the Finance Member replies, to tell us whether the lawyer experts or the so-called economic advisers that were recruited from India did tender any advice to him when the Silver Agreement took place. As I have mentioned, I was in London. One morning I thought I would go and find out the hotel where the Indian Delegation stayed. Wherever one rambled in the London streets one found the national flag of Czecho-Slovakia, or Germany, or America, on some of the hotels. I searched in vain; nowhere did I find the particular flag of India on any hotel. So, I hope the Honourable the Finance Member would . . .

**The Honourable Sir George Schuster:** I think I can set my Honourable friend's mind at rest at once. I do not like to leave him in any suspense on this matter. I was much more successful than he was in finding the



Indian delegates. We used to meet about two or three times a week—the full Indian Delegation on the Conference and those other Indians who agreed to act as advisers. We always discussed any important matters with them including, of course, the Silver Agreement. We had the full approval of all the Indians in London on this particular matter.

**Mr. B. Das:** I know my Honourable friend met them in one of the small dingy rooms of the World Economic Conference—the Geological Museum or Zoological Museum, I do not know exactly which it was . . .

**An Honourable Member:** Geological.

**Mr. B. Das:** I think Zoological would have been better. I was in London. When a visitor like me who does not know much of London and who wanted to see his national delegation—I wanted very much to see the national flag of India in the Hyde Park Hotel or the Savoy Hotel. I found it nowhere. Sir Padarnji Ginwala lived in some place somewhere, Sir George Rainy was brought back from his well earned holidays to London and Sir Cowasji Jehangir was somewhere I do not recollect . . .

**An Honourable Member:** At Grosvenor House.

**Mr. B. Das:** Yes, at Grosvenor House. I saw so many national flags, but no flag of the Indian nation. Sir, that is a small matter, but that shows what minor position these economic advisers held. My Honourable friend, Sir Joseph Bore, got wild the other day in Simla when I put a question about the lawyer statesmen that went as advisers to the World Economic Conference. They were lawyer statesmen. If they were financiers, if they were patriots, they would have demanded a national flag; they would have remained in one hotel. That would have shown that they represented the Indian nation.

My Honourable friend the Finance Member, alluded to various committees. If one looks at it, the Economic Conference divided itself into two Sub-Commissions, and each Sub-Commission had too many sub-committees, which, of course, ended in smokes as everybody knows. I do not want to mention all the sub-committees. I will tell my Honourable friend who went to improve the monetary position, the currency position of India—I do not want to discuss that today because it will come up when we discuss the Reserve Bank Bill next week and many of us will take the opportunity to allude to the false atmosphere in which this World Economic Conference was held only just to give satisfaction to a few statesmen of the world. I know my Honourable friend was a party to that statement, that certificate of self-indulgence which the British Empire delegates . . .

**An Honourable Member:** Self-indulgence!

**Mr. B. Das:** You can use any other word. The declaration of the British Empire delegates—I think my Honourable friend signed it—of course, Sir Henry Strakosch signed it for India. Sir George Schuster and

[Mr. B. Das.]

Sir Henry Strakosch are twin souls. What did they say? The declaration was not signed by the representative of the Irish Free State. I know Mr. De Valera is always wise:

"Considered it appropriate, in view of the termination of the Conference to put on record the views of the Delegations of the British Commonwealth—(I wish I was a part of the British Commonwealth. I hope my Honourable friend will bring us to that)—concerning some of the more important matters of financial and monetary policy which had been discussed, but not decided, at the Conference. They were satisfied that the Ottawa Agreements had already had beneficial effects on many branches of inter-Imperial trade and that the process was likely to continue as the purchasing power of the various countries concerned increased. They re-affirmed their conviction that the lowering or removal of barriers between the countries of the Empire would facilitate the flow of goods between them and increase the trade of the world."

I will just quote a little more.

"The policy of furthering the rise in wholesale prices, until equilibrium had been re-established, would be continued by the Governments of the British Commonwealth, and they would take whatever measures were possible to stabilise the position thus attained."

Everybody knows that the Ottawa Agreements to which the British Empire agreed at Ottawa,—Sir, you were our worthy delegate to Ottawa—were the cause of the failure of the World Economic Conference. The delegates of the British Empire, when they found that the World Economic Conference failed and when they found that the delegates of Japan, China, Russia—the Russian delegate, M. Litvinov, spoke something very frankly to these gentlemen that met in the Geological Museum—these British Empire delegates wrote out a certificate to themselves and broadcasted it to the entire world.

I do not propose to oppose the ratification of this agreement. I kept awake till 2 o'clock in the morning reading all the books and was thinking as to what I should do. But this morning I found in the Reserve Bank Select Committee's report that there is a further statement by the Finance Member on the Silver Agreement. So I changed my mind and I thought to myself that I would rather not oppose the ratification. But it is no use talking blindly that it will improve the price level in the country,—that it will increase the price level in India, and that it will increase the volume of trade in India. Certainly it will do nothing of the kind. England is indebted to America and is frightened of America. America wants silver. It has not declared as yet for bi-metallism, but America wants to hoard all the silver, to hoard all the gold and silver. That is the American policy. I am not a high financier like my Honourable friend, Sir George Schuster, so I cannot pierce through the subtleties of the American financiers. But we know that America has landed herself in a mess. The dollar is depreciating, but people might think that America wants to bring the world down by that policy and then to increase its export trade. I fear the game is that America wants to hoard the silver, and my Honourable friend has already made a present of Rs. two crores silver a few months ago. Of course my Honourable friend got a price for it. 35 million ounces—that is nine crores of rupees worth of silver the Finance Member can now sell every year. But my Honourable friend himself said that there was only 104 crores worth of silver rupees in stock. Of course when we consider the Reserve Bank

Bill, we shall know that half of it will go into the Reserve. But why not keep the whole thing in the Reserve? I would like to quote a passage from a statement of very dear friend of the Finance Member and I hope he will appreciate it:

"Further, the sale of surplus rupees either today or in the near future, would only command in sterling approximately one-third of their face value, involving substantial losses on the transaction, as the silver was bought for coining at prices much higher than those now ruling. There is always the possibility, if an unexpected demand for rupee arises, of the Currency Authority having to buy silver for coining at prices higher than any present sale price; there is a strong movement indeed to raise silver prices. In view of these circumstances, I submit to the Joint Select Committee the necessity of not leaving to the discretion of the Government of India (either under the present Constitution or any new one), the sale of silver in the Currency Reserves, merely to save interest on a metallic reserve which is for the moment inert. So long as silver commands the confidence of the mass of people any saving in interest is entirely subordinate to the major purpose of keeping this currency rampart in impregnable strength."

My Honourable friends may not have spotted who has written this, but the Honourable the Finance Member must have read it hundreds of times.

**The Honourable Sir George Schuster:** I have not. Who is it?

**Mr. B. Das:** Sir Purshotamdas Thakurdas. There are people who might totally oppose the sale of silver. I have found that  
1 P.M. Sir Purshotamdas Thakurdas' name is quoted very often on the floor of this House and it will be quoted during the next week. I thought that this particular passage will clear the atmosphere in the matter of the silver sale. Last night when I was going through the papers, my reasons for opposing the ratification was the same which my friend gave this morning, that by selling the silver the Government got 16 millions which they utilised to clear off their debts. What is the position of silver rupees? The predecessors of the present Finance Member minted nearly 600 crores of rupees of which 200 crores have been lost or melted down and probably there is at present a circulation of 300 crores.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Chair would remind the Honourable Member that this is a Resolution and the time limit is 15 minutes. It is hoped the Honourable Member will conclude soon. He has already taken his time.

**Mr. B. Das:** Sir, I shall conclude within five minutes. Sir Basil Blackett issued one rupee and Rs. 2/8 notes. People got familiar in the use of notes and so the silver rupees came back and, when it has come back, my Honourable friend thinks "Oh, these are not required for ordinary circulation. The seasonal crops or agricultural seasons will not require more money for circulation". Then the Finance Member has done away with the provision of silver redemption fund which was a feature of the 1927 Reserve Bank Bill although in his note on the present Reserve Bank Bill and the memoranda of Government regarding disposal of surplus silver, they have provided the silver redemption reserve fund to a small extent. These are the subtleties of international financiers which ordinary laymen like myself cannot understand. While I do not oppose the agreement, I do hope that the Government will give us an undertaking on the floor of the House that in future whenever they wish

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to sell silver they will take the consent of this Legislature and whatever money is realised from such sales will go towards the Gold Standard Reserve. It is no use cheating the people by giving only five annas for every rupee and then to collect that rupee and then to sell the rupee and utilise it to meet the debt obligations. Today there is no money in the country. The Finance Member is getting less customs revenue. He has lost in income-tax. So I would advise him not to dabble with the 50 crores of rupees that will be left with him, not to sell it, but to try to raise the price level in the country by adopting some other means and, when he seeks our advice in that matter, we shall be only too willing to give that advice.

**Mr. Vidya Sagar Pandya** (Madras. Indian Commerce): The agreement has been explained by the Honourable the Finance Member in some parts. With your indulgence I will first summarise the purport of the agreement. What the agreement seeks to do is to bring about an arrangement between the countries which stock silver and the countries which produce the silver, and it is claimed that it will mitigate the fluctuation of the price of silver. That is No. 1. Then it is claimed that it will not involve any further debasement of silver coinage in the countries parties to the agreement. Thirdly, they expect certain other countries to substitute subsidiary silver coinage for small paper currency, while, on the other hand, the Government of India during the last few years have been doing quite the contrary. Of course, it is said as a war measure they had introduced even one rupee paper and 2½ rupee paper and several times postal stamps were made to do the work of small currency. Then the next clause speaks of the limitations and exceptions to these items. One is that if the Governments, which were a party to this agreement, do not signify the acceptance by the 1st April, 1934, it will lapse, and the second is that Governments may take steps to prevent the flight or distribution of the silver coinage by reason of the rise in the bullion price of silver. Thereafter, we come to the various terms for the various countries. So far as India is concerned, India's part of the agreement is that India shall not dispose of more than 140 million ounces of silver during the next four years, though the concession has been given that in case they are not able to sell in a particular year 35 million ounces, they can carry over the balance for sale in the next year; but now we come to the one clause which appears to me to be rather very suspicious. It is said that notwithstanding anything previously stated in the article it is understood that the Government of India should, after the date of this agreement, sell silver to any Government for the purpose of transfer to the United States Government in payment of war debts. Now we know already that a large amount of silver was purchased from India by British Government at about 35 cents and passed on to America at about 50 cents an ounce. Now we did not know what benefit we could get from the rise in the market price, but we were not able to arrange the deal in such a manner as to get the benefit of about 15 cents per ounce for India, but which the British Government secured. Now, what I wish to know from the Honourable the Finance Member is whether this clause is meant to enable Indian silver to be given not only to the United Kingdom, but even to other countries so as to enable them to settle their war debts with the United States and make similar profit.

**The Honourable Sir George Schuster:** Sir, I should like to set the Honourable Member's mind at rest on that point. That clause was put

in entirely at our request. We naturally wished to get as much latitude as possible under this agreement and to limit our power of selling as little as possible; and if we agreed to the amount of 85 million ounces per year as a fair sum, we said that if we were going to transfer indirectly to the United States silver as has been done in the recent transaction of 20 million ounces, that ought to be outside the agreement, and the Americans agreed to that, with the proviso that anything that we transferred in that way *plus* what we sold in the market must not exceed 175 million ounces. There was an over-all maximum of 175 million ounces put on all the transactions, but the addition of that clause was made entirely at our own request in order that we might have a little more latitude. What we had in mind was merely transactions of the same kind that took place last summer, and, as my Honourable friend has raised the point, I should like to remind the House that we disposed of 20 million ounces of silver last summer in order to enable the British Government to make that payment to the United States. The British Government was under no obligation to buy that silver from us and we, as a matter of fact, did a very good bargain with them, because we sold the silver at a price something like 1½d. above the market price of the day. It was a completely independent transaction between us and the British Government out of which we benefited very very greatly.

**Dr. Ziauddin Ahmad** (United Provinces Southern Divisions: Muhammadan Rural): May I know whether the price of silver would have risen, had British Government gone to open market?

**The Honourable Sir George Schuster**: If that sort of result had happened, then that transaction would never have been carried through at all.

**Mr. Vidya Sagar Pandya**: Sir, I am obliged to the Honourable the Finance Member for the information and let me also congratulate him on the half penny improvement in the price of silver, but he has not enlightened us as to how the British Government made a profit at about 15 cents per ounce when we got only a half penny?

**The Honourable Sir George Schuster**: The United States Government made a present to the British Government of 15 cents an ounce. They said, "We will accept this token payment on a certain basis". That had nothing to do with India. As far as we were concerned, we got an opportunity to sell 20 million ounces at a price which was 1½d. above the market price.

**Mr. Vidya Sagar Pandya**: Then the British Government, I expect, would have shared with us half the profits at least and not left us with a half penny.

**An Honourable Member**: A penny and a half-penny.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Honourable Member may resume his speech after Lunch. The House stands adjourned till Half Past Two.

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

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

**Mr. Vidya Sagar Pandya:** Sir, when we adjourned for Lunch, I was just explaining clause 6 of the agreement and I was requesting the Honourable the Finance Member to secure better terms in future if he could and not to be quite content with half-penny against 15 cents. made by the British Government.

Reverting to the agreement, the next clause relates to Australia, Canada and other countries and I need not speak anything about them though it may be noted in passing that China has been most liberal in the matter. Next comes India. Then there are other clauses relating to some kind of difference in the matter of ratification of the agreement by the respective Governments. I hope the other Governments will ratify the agreement and stick to it and we will not have again here the sad spectacle of Japan and Germany who withdrew from the League of Nations. However, I will leave those things alone.

Now, Sir, there are roughly three advantages which are claimed for it. One of them is that if the international action is taken it will raise the world price of silver. So far, we have not seen any effect of it. Even if it does check the lowering of the value of silver in the future, it would be something achieved and, to that extent, we might congratulate our Finance Member for the part he has played in this matter. But there is one point which I wish to bring to the notice of the House and I would ask the Honourable the Finance Member to give us some assurance on this matter. We are supposed to have still about 175 million ounces of fine silver or about 52 crores of rupees worth of currency silver. Let us hope that this silver, when it is sold, will not be converted into sterling securities. It must be used entirely in the acquisition of gold to strengthen the position of India so that we may, in as near a future as possible, revert to the gold standard instead of remaining on the present silver standard linked to the mere paper currency of United Kingdom. The Honourable the Finance Member has laid stress in the matter of investments and said that investments earn money while silver or gold do not earn anything. Sir, there is a limit to such investments and you cannot go on putting all your money in the sterling securities. We must look also to the safety and security to inspire public confidence. I am afraid, our Finance Member is developing the tendency of a *baniya*: he has become too much of a *baniya*. A *baniya* was asked whether he loved his son more or his money more. He said he loved his money more. He was then asked why? He replied: "The boy earns only during the day time while the money earns both day and night." So, I am afraid, the Finance Member has caught that spirit and he has begun to love interest so much that we are afraid that the white metal which India now possesses will be converted into mere paper. I would request the Finance Member to kindly give us an assurance that whatever sales are effected the proceeds will go towards the acquisition of gold, because India would not like to lose a single ounce of silver to barter it for mere sterling securities, otherwise it would mean a surreptitious acceptance on our part of more and abnormal proportion of British Government securities in either our currency reserves or in other funds at the disposal of the Government. Sir, I do not know for how long I can speak more.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The Honourable Member can speak for five minutes more.

**Mr. Vidya Sagar Pandya:** The other point which I would like to make is this. Supposing under the agreement we are in a position to sell as much silver as we are allowed and even at a good rate, what would be its effect on the exchange market, that is to say, how will it affect the export value of Indian produce? That point has got to be taken into serious consideration.

I would request the Finance Member to bear these matters in view and not to convert the silver into sterling securities. Let us hope that this agreement will be carried out in the letter as well as the spirit in which it was made. If an assurance is forthcoming that the sale proceeds of silver will not be converted into sterling securities and that we will get full advantage of the sales and not hand over our silver to other countries to make such large profits, I will not stand in the way of the ratification of the agreement.

**Diwan Bahadur A. Ramaswami Mudaliar** (Madras City: Non-Muhammadan Urban): Mr. President, if I intervene in this debate, it is neither to find fault with the Finance Member for having entered into this agreement, nor because I am in any peculiar position as a financial expert or an expert in bullion to give to this House any novel ideas on the subject; but it is merely to make clear to myself some aspects of this agreement and to put before the Honourable the Finance Member certain conditions with reference to the silver agreement that has been reached.

I am aware that the World Economic Conference met under peculiarly difficult conditions. Those who try to mock at the World Economic Conference and its futility do an injustice to themselves, because they must realise that when 66 nations met and for the first time, to discuss questions of extraordinary difficulty, questions which have baffled national Governments all over the world and questions which for an international agreement must take many such conferences to come to a satisfactory conclusion, it cannot be an easy matter to arrive at agreements. They do an injustice to themselves when they suggest that the World Economic Conference has proved an utter failure. I am not here as an apologist for the World Economic Conference or its activities. I have had nothing to do with it. But I think it is only fair to suggest that the Conference has at least done this thing, it has brought before the nations of the world the big problems which affect the whole world and also the peculiar circumstances which relate to different countries. In that educative way it has done its own work and those who are in the best position to judge on these matters have expressed the opinion that though the World Economic Conference has been adjourned, its educative value has been such that it is worthwhile repeating this attempt at World Economic Conferences under more favourable conditions and at a more psychological moment. This Resolution which the Honourable the Finance Member has moved embodies an agreement which is, if I may say so, a salvage of what has apparently been the wreck of the World Economic Conference;—this and the wheat agreement which has also been a subsidiary agreement of the World Economic Conference. What are the outstanding facts with reference to the silver agreement? With reference to the silver agreement, the United States took a prominent part and with reference to the wheat agreement the Canadian Government, through its Prime Minister, Mr. Bannet, took

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a prominent part. I think we should be thankful that at least on this question there has been some attempt at trying to understand each other's position and of coming to an agreement on peculiarly difficult problems. Regarding the silver agreement, to which I should like to confine my attention, the position is that every Government should report to the United States by the first April, 1934, that the agreement has been ratified by that Government. We are one of the very first countries as usual to ratify this agreement and we are going to report to the United States that we have done so at a very early date. In all International Conferences it must be the experience of Members of this House that if India puts its signature, it stands by it and it is one of the earliest Governments to record its agreement and to ratify that agreement. Whether at the League of Nations or at the International Labour Conference or at other International Conferences, India's position, as one who tries to keep to its word and to ratify that, stands very high and those who have partaken in International Conferences will bear testimony to that fact. From that point of view also I think the House will be well advised to ratify this agreement. There is very often a tendency to repudiate delegates, a tendency not less so in India than in other countries. Whatever has been done by anybody else cannot be done as well as if I were present there.

**Mr. B. Das:** I never spoke in that sense if you refer to me.

**Diwan Bahadur A. Ramaswami Mudaliar:** I can assure my Honourable friend, Mr. Das, that he was farthest from my thoughts when I was making this observation. That amount of self-confidence is a very good thing and I appreciate that, but I think at the same time we ought to cultivate the spirit that where delegates go on behalf of a country and put their signature to those International Agreements as far as possible, unless there are overwhelming reasons to the contrary, the country, the Government and the Legislature should abide by that agreement and should ratify that agreement. From that point of view, I am glad that on this occasion at least, the Honourable Sir George Schuster is in the happy position that his act in signing the agreement has not been seriously questioned in any quarter of the House.

Now, turning to the agreement itself, I should like enlightenment on one or two points which have puzzled me a little. Clause 2 of the agreement says:

"That the Government of Australia, Canada, the United States, Mexico and Peru, during the existence of this agreement, shall not sell any silver, and shall also in the aggregate purchase, or otherwise arrange for withdrawing from the market, 35 million fine ounces of silver."

That is exactly the amount which India is privileged to sell in any particular year. The clause further says that those countries should come to an internal agreement among themselves as to the quotas which they would allow to each of the other countries in buying back that silver. I should like to know if the Honourable the Finance Member has any information on this subject, whether any move has been made by those countries to come to a settlement on this allocation of the purchasing power of the various countries. Very often these agreements are broken, because the subsidiary agreements that are necessary to confirm the main agreement have not been come to. I have a faint recollection that with reference to



the wheat agreement a loop-hole was left to the Soviet Government of coming to an independent agreement with reference to the amount of wheat that it could sell and this question has not been settled. The Canadian people have felt that Mr. Bennet has not made a good bargain, because the essential factor for making that agreement valid, namely, a subsidiary agreement with the United States of the Soviet Republic has not been arrived at. I should like, therefore, to know if the Honourable the Finance Member is at all in a position to say whether the subsidiary agreement among the purchasing five nations has been arrived at. Another point ancillary to this to which I should like to draw the attention of the House is the fact which is at the conclusion of this memorandum. In para. 8, it is said:

"If one or more of the Governments enumerated in Article 2 fail to ratify by the 1st April, 1934, the agreement shall come into force at that date if the other Governments mentioned in Article 2 which have ratified notify the other Governments which ratify that they are prepared to purchase, or cause to be withdrawn, in the aggregate the amount of silver mentioned in Article 2."

That is to say, if Australia, Canada, the United States, Mexico and Peru or one of these Governments or more than one withdraw from this and fail to come to the subsidiary agreement to which I have referred, it will nevertheless be open to the rest of the Governments to say that they shall absorb the whole of 85 million, and, therefore, this agreement may stand. It seems to me that before we offer our congratulations to the Honourable the Finance Member, we have to wait and see whether those two conditions precedent are properly satisfied, whether in the first place the five countries come to an agreement themselves and, in the second place, if any one of them or more than one failed, whether the other countries are prepared to carry on the obligation of absorbing 85 million ounces of silver which are on the market. My Honourable friend, Mr. Pandya, very rightly pointed out that in the sale of silver, the investment of the proceeds should be of such a kind that it will not endanger the resources of the country. The Honourable the Finance Member referred to the fact that in the past few years there was a great deal of silver sold and that all of it was translated into gold bullion and, therefore, the country gained rather than lost by the transaction. I am not quite sure if I interpreted the Honourable the Finance Member rightly when he said that the purchase of silver was transformed into gold. I do not think he intended to say so. He could only have said, that part of it went towards the purchase of gold bullion and the other part was in sterling securities. I do not think it is possible to differentiate between that amount which went for the purchase of gold reserves and that amount which was locked up in sterling reserves. Various transactions of the Government of India have resulted in a certain amount of gold reserves being kept in London for us and in a certain amount of sterling reserves; which portion of it was from silver sale proceeds and which from other sources, it is not possible to say. It appeared again from the speech of the Honourable the Finance Member that we had suffered no loss at all when England went off the gold standard. I do not think it is a perfectly accurate statement. Obviously at the time when England went off the gold standard on the 11th September, 1931, we had both gold reserves and sterling reserves. So far as gold reserves were concerned, we were not affected by England going off the gold standard. We had a certain amount of sterling reserves and the complaint of the people of this country is that with reference to that we had a sharp fall in our assets. Now, let me explain that position a

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little more clearly. Before England went off the gold standard, there was no difference whether we had gold reserves or sterling reserves,—they were of the same value. The pound being pegged on to gold it did not matter whether the pound sterling was paper money or gold currency. In fact there was no difference at all, because every pound represented the same amount of gold worth. Now, the moment England went off the gold standard, the sterling depreciated by 25 per cent. The result of that was that whereas the gold reserves kept up their old value and we did not suffer, to the extent that we had sterling reserves we immediately had a depreciation of 25 per cent, in the value of the reserves that we had built up in London. That is the complaint of those who say that it was not right that we should have maintained sterling reserves at that date. There is no doubt that by England going off the gold standard the extent of the reserves which were held by India in sterling depreciated by 25 per cent, and my friend, Mr. Pandya, rightly suggests that at the present moment or on any future occasion, when silver is sold, we should keep the proceeds in such a manner that it may not depreciate. But I have a doubt in following up the suggestion which in my personal capacity I should like to express. If the suggestion is that gold should be purchased from the proceeds of any future sales of silver I am not quite sure whether we are in a better position than if we were to invest in sterling. Today gold stands in exactly the same position as sterling. It fluctuates from day to day and perhaps we may be paying much too heavy a price at the present moment in buying gold. The action of the United States has unduly increased the price of gold at the present moment. It must be a better prophet than even the Finance Member who can say that this price of gold will be kept up for any length of time. If, therefore, we invest in gold, what will be the result? A few years hence, that gold, as we all hope, will get back to normal standards. Therefore, while I feel this difficulty that I am unable to definitely state whether the proceeds should be in gold or sterling, I venture to think that, human nature being what it is, there is a feeling among many of us that perhaps, after all is said and done, with all the vagaries and variations of the gold level, it may be better to have it in gold rather than in any other form of security. That *bania* feeling, an overdose of which my friend rightly deprecated, I think acts in many of us; and, from that point of view, I think it is right to suggest that with all these factors the point must be kept in mind at least by Government that perhaps to a certain extent gold reserves are a safer investment than sterling reserves notwithstanding the loss on interest.

Now, Sir, there is only one other point that I should like to refer to in the short time at my disposal. This agreement refers to sale to a Government on behalf of payment of war debts to the United States of a certain amount of silver. And as this question has been raised pointedly by my friend, Mr. Pandya, and has been to a certain extent explained by the Finance Member, I should like to place a point of view for the consideration not of the Finance Member, but of those in higher authority than himself. Now, we all know that whereas fiscal autonomy is said to have been given to this country and the views of the Government of India generally prevail on fiscal matters, financial autonomy has not been given to this country. The Finance Member has a great deal of discretion; the Chancellor of the Exchequer of the Government of India has got enormous powers, but I think it is common knowledge that there comes a stage when the Chancellor of the Exchequer of the Government of

India is bound to carry out what is dictated to him from above. Financial matters are still controlled from Whitehall and from London and, therefore, the Finance Member of the Government of India has not got financial autonomy. Now comes my proposition. The Government of India sold at 35 cents or thereabouts and the Government of England sold that very silver back to the United States at 50 cents. My Honourable friend suggests that the United States made a present of 15 cents to the Government of Great Britain. I do not think that is a fairly accurate way of describing it, because throughout these transactions which I followed with some little care, I do not think the United States held out a sort of bonus to Great Britain for this transaction. Now, Sir, I was on the question that the Government of India and India, therefore, have not got financial autonomy. The position of India in financial matters with reference to Great Britain is merely this. Great Britain is the trustee, India is the *cestui que trust*. I ask my Honourable friend to consult his colleague, the Leader of the House, and he will tell him that there is only one phrase, and not a very elegant phrase, which is known to lawyers, when a trustee conducts an operation on behalf of the *cestui que trust* and pockets the profit. I do not want to blame the Government of India or even the India Office in this respect. A knowledge of the working of the India Office and of the personalities who are behind these things leads me to hesitate before saying that either the Government of India or the India Office did not fight for the Indian cause and did not suggest that the full amount of the profit which they were making should be transferred to India. But I think this is a case of the Government of Great Britain over-riding both India Office and the Government of India, and though this is a fact which has already been accomplished, I venture to bring forward a discussion to this subject, because I believe that it is still open to the many good friends in England, particularly in the House of Commons, to raise this issue and to see that justice is done to India. During the past few months that I was in England I was impressed by one fact that there were many in England who were "friends of the masses of India" as opposed to the agitators, the intelligentsia like myself and many of my colleagues here. There are "friends of the masses" who have appeared before the Joint Select Committee and said that they will do everything possible to preserve the condition of the masses, to improve their condition, and to shed their last drop of blood to see that the masses were not exploited. I know that there are good friends like Mr. Winston Churchill and Lord Lloyd. (Laughter.) I do not think that it is a matter for ridicule at all. These claim to be sincere friends on behalf of the masses and I hope that my words will travel to London and these reports will be read by these gentlemen there and they will raise this question in the House of Commons and ask the British Government how they exploited India on this occasion and pocketed quietly the 15 cents profit on every ounce of silver that they bought from this country and how, when they were trustees of the Indian masses, they could have pocketed this amount. The Honourable the Finance Member was rather naive when he said that this was the market price and, if they got more than the market price, what is there to complain about? I do not think he has put himself in a fair position in that respect. If this were bought outside the British Dominions, nobody would have any quarrel at all with it, but having bought it from India and having bought it in circumstances where India had no option, there is a clause in one of the Acts well known to lawyers where they say that when one man is in a position to dominate and the other man has no alternative but to obey, there is only one kind of influence that it can be called,—I say it quite confidently

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that on financial matters the British Government is in a position to dominate the will of the Government of India, and, whatever Sir George Schuster's opinions may be, he is not in a position to stand out against that. If in those circumstances this transaction has been carried out and if the result is that a 15 cent profit over every ounce has been added to the British Treasury, that is something which at least on the floor of this House Members should protest against. And I venture to hope that I have the whole-hearted sympathy if not the avowed approval of the Finance Member and every Member on the Treasury Benches when I say that in this transaction India has been let down; that while it is perfectly true that if Great Britain had gone to the open market and bought it elsewhere, she would have got it for the same price and even cheaper and we would have no room to complain, still the transaction being what it is and the relationship between the two parties being notoriously what it is, I say that Great Britain does not come out in dazzling colours out of this transaction and Great Britain has not discharged the trust over which eloquent tributes have been paid by many members of the House of Commons and the House of Lords. And I venture to hope that this somewhat belated protest will not fall on deaf ears, and steps will be taken by which the *bania* share, as my friend, Mr. Pandya, said, of fifty—fifty of the profits may be allotted as between Great Britain and India and we may have a communication from the Government of Great Britain in January next that they have reconsidered the position, and that out of the profits that they have made we have been credited with 50 per cent. As I said, I am not making any charges either against the Government of India or even against the India Office. In this matter it is the Government of Great Britain and the superior wisdom of the Treasury which is omnipotent in many respects,—except in regard to the Bank of England and the masterful Governor of the Bank of England,—which has prevailed and I venture to hope that my remarks and the opinions of the House will be carried to the authorities above, and that belated justice will be done to this country. Sir, I support the motion.

**The Honourable Sir George Schuster:** Sir, I will take the opportunity

3 P.M.

of replying to deal with one or two points which have been raised by my Honourable friend who has just spoken. As it is still fresh in my memory, I should like to reply at once on the point that he has made about that particular silver transaction. I really think that my Honourable friend, although I must say that he has done his utmost to be fair in this matter, has to some extent misrepresented the position. The position really was this: the United States, as all Honourable Members know, was itself in a very difficult position about this war debt payment. They have their own public opinion to consider in the United States, and although I think I am right in saying that a great many leading men in the United States would be only too glad to get the war debts question out of the way once and for all, they have to consider the public opinion of their own country. On that occasion they had to make some sort of arrangement about the payment of an instalment of the war debt, and they said: "We will not ask you for your full due: we will take a token payment, so that you do not go into default and we shall not be asked to condone a default; but we will merely ask you to make a token payment which represents only a very small percentage of what is due from you". They then said: "We will take that token payment to be 10 million dollars, and, if you like to pay us in silver,

we will value the silver at 50 cents an ounce". And as the price of silver at the time was really only—let us say—about three-fourths of that figure, what it really amounted to was that they said: "We will take a token payment which is really the equivalent of 7½ million dollars". It was merely a way of putting it when they said "You give us silver at fifty cents an ounce". They had certain reasons for taking it in that form. I think it had certain advantages to them from the point of view of public opinion on their side, because the silver interests carry a certain amount of weight, and taking silver in that way, I should imagine, was favourably received by those particular interests. But it is not fair to say that the British Government took advantage of that opportunity to sell 20 million ounces at 50 cents an ounce: they merely used silver as a vehicle for making a certain token payment. In those circumstances they had then to consider where they could acquire the silver at a reasonable price without artificially disturbing the market in a way which would have done nobody any good, and they started negotiations with the Government of India. Now, I am in the happy position of being able to disclaim any credit for this particular transaction, because I happened to be at sea at the time and I knew nothing about it until it was all over: so personally I can speak in an entirely disinterested way about it; but I did hear when I got to London precisely what happened. The Treasury asked somebody from the India Office to go round to see them and said: "Look here: we can get out of this token payment by handing over 20 million ounces of silver: are you prepared to do a deal with us?" The India Office said: "Yes. We are quite prepared to do a deal, but we have got the whip hand of you and we are certainly not going to sell to you at the present market price: we are going to take advantage of this and do a good bit of business for ourselves". And they asked for certain terms. The Treasury absolutely refused and they came to loggerheads about it and eventually the Secretary of State himself went to see the Chancellor of the Exchequer about it: and it was arranged between those two persons—that was not the relation between a trustee and the *cestui que trust*—you had the Secretary of State representing the interests of India and fighting hard for those interests as an independent party dealing with a representative of the British Government—and I do ask Honourable Members to appreciate that when cases of that kind arise—I have seen a good many of them—those who represent India's interests in London do fight very hard indeed for those interests regardless of the interests of the British Government, of which the Secretary of State happens for the time being to be also a member. Now, there were various features in that agreement some of which I cannot disclose, but it was in fact a much more favourable agreement even than it looked on the surface. One particular feature was that, as it was rather anticipated that, when the news of this payment was published, it would have a stimulating effect on the price of silver, the India Office got a term put in the agreement that, if the price of silver went up within the next fortnight, it was to be added to the price which we had got. Therefore, in every way, I do think it is fair to say that our representatives in London drove a very good bargain and a very reasonable bargain; and if you admit that it was in our interests to sell silver at all, if you accept that policy, then they took advantage of that opportunity to get the last penny that they could squeeze out of the British Government over it. I hope my Honourable friend will take what I have said at its full value. I can assure him that as a business transaction India's interests were really well looked after, and to talk about a

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profit of 15 cents being made by the British Government is really to misrepresent this transaction, which was nothing more than at its highest a token payment. Now, that is the position on that particular matter.

My Honourable friend is quite right when he said that India is the first country to ratify this agreement. I find that no other Government has yet taken any action, but I understand that the United States will take early action on this matter.

Then my Honourable friend asked for information as to how far the various countries had gone in reaching agreement as to how the 85 million ounces was to be divided up between them. I have not got my notes that I took in London with me, and I dare say it would not be right for me to disclose the figures as to the quotas of the various countries, but I can tell my Honourable friend that they had already actually settled how the amount was to be divided up while they were still engaged on these negotiations in London; and concurrently with his talks with us Senator Pittman was carrying on negotiations with the other countries to settle their various quotas. Of course in all cases there is a chance that a particular Government may not ratify. I may tell my Honourable friend that apart from the United States which will take a very large proportion of the total, the next most important country was Mexico, and the other countries combined were not bound to take more than a comparatively small amount. The agreement, as my Honourable friend has noted, contains a provision that if any particular country does not ratify and take up its agreed quota then the agreement may still hold good if some other country steps in to take over what it has refused. I think it is fair to regard this agreement mainly as one made between India on the one side and the United States on the other, and I have every confidence that the United States Government is going to see this thing through, whatever the other countries may do.

Then, my Honourable friend took up the point which I had made as regards the value of the silver which we had sold. I said that if we were comparing the prices which we realised in the past with the prices that are realisable today, one ought really to take into account the fact that over 11 millions that were realised were realised before the 20th September, 1931, when a pound sterling was worth the original quantity of gold; whereas today the pound sterling is only worth about 66 per cent. of that same quantity of gold. If, of course, we had put the proceeds into sterling, then the fact that we had sold at an earlier date would have made no difference; but I said I think we can fairly claim that a part of the proceeds of the silver sales was balanced by the acquisition of gold, because in the period during which we had realised about 11 millions sterling, we had actually acquired about 10½ crores worth of gold. I did not wish to push the argument further than that, because as my friend quite rightly pointed out, it is impossible to say exactly what went to buy that gold, whether it was the proceeds of silver sales or whether it was sterling funds which we raised in other ways, but I think it is fair to point out that we strengthened our gold resources by 10½ crores before September, 1931, and, as against that, we had realised silver to the value of about 11 million sterling.

Now, Sir, my friend then went on to deal with the way in which our assets should be held, and he made the point that when sterling went off gold, we did, in fact, suffer a loss of something like 80 per cent. on all our sterling holdings. I think that is hardly a fair way of putting

the matter. When you are considering what kind of assets you ought to hold, you must at the same time consider what are your liabilities. If your liabilities are in terms of sterling, then only assets which you can hold against those liabilities, which do not involve any speculative risks, are sterling assets. If you hold gold against your sterling liabilities, you may make a profit in gold in terms of sterling, but you may also make a loss, and, from the currency point of view, as long as we are on the sterling basis, the only currency resources we can hold which do not carry speculative risks are sterling assets. But it goes further than that; we have to consider not only the currency position and our obligations as the currency authority, but we have to consider the position of the Government and the country as a whole. Now, India is a country, which, as we all know, has a large amount of external obligations, external debt, both public and private, and I think it is probably correct to say that 99 per cent. of that external debt is in terms of sterling. Now, my friend has said that when sterling went off gold, we incurred an effective loss of something like 25 or 30 per cent. on our sterling holdings, but if he puts the matter in that way, then I would say to him that at the same time we really obtained 25 or 30 per cent. profit on about 350 million of our sterling obligations. Let us say that we were holding something like 35 millions of sterling securities in our currency reserves in September, 1931, and that because sterling depreciated by 30 per cent., we had an effective loss then of something like 12 million expressed in terms of gold. I would ask my friend to take into account on the other side that we also reduced the burden in terms of gold of our external debt by something like 120 millions in terms of gold on the same day, and that is a very important consideration. When Honourable Members think and talk about currency, I would ask them to remember that it so happens—and we are very fortunate in that respect,—it so happens that our obligations, both in regard to currency and debt, are all in terms of sterling, and therefore if the value of sterling depreciates, the burden of our debt is thereby lightened, and if we hold sterling assets in our reserves, then even though their value in terms of gold may be reduced, the gain may be far greater, from the lightening of the load of indebtedness which lies upon us. Those, Sir, I think, are all the points with which I deal now.

My friend from Madras, Mr. Vidya Sagar Pandya, who spoke before, asked for some assurance that the proceeds of the sales of silver would actually be invested in gold. Well, Sir, this House may have an opportunity to express its view on our policy for dealing with surplus silver stocks if it desires to discuss the proposals which we put before the Joint Select Committee on the Reserve Bank Bill in regard to this matter, where we have proposed the creation of a special reserve fund which we describe by the name of the silver redemption fund. If that fund is established, then, of course, it will be for Government to invest any proceeds of silver which is sold in a manner which at the time appears to be likely to be the most safe and the most profitable. What that manner will be must depend on the circumstances of the time.

My friend, the Leader of the Independent Party, is quite right when he says, to invest in gold at present is for us in India a highly speculative transaction. On the other hand, he is equally right in saying that in India there is a very strong sentiment, and that public confidence would be increased if our gold holdings were made larger. I think that is a factor which, even from a business point of view, ought to be taken into account and, no doubt, will be taken into account by Government; but, beyond that, I could not possibly go at present. And when my friend scoffs at

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the *bania* sentiment and the *bania* spirit, I would ask him to remember that it is our duty, the duty of us who are responsible for Government finance, to do business in the best way that we can, and where we see a chance of making profits, to make those profits; but, on the other hand, we quite agree that Government is not essentially a profit earning undertaking and that the safety of the country's resources must always come first.

**Mr. President** (The Honourable Sir Shanmukham Chetty): The question is:

"That this Assembly recommends to the Governor General in Council that he do ratify the 'Memorandum of Heads of Agreement entered into by the Delegates of India, China and Spain as holders of large stocks or users of silver, and of Australia, Canada, the United States, Mexico and Peru as principal producers of silver, at the Monetary and Economic Conference held in London, in July 1933'."

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 23rd November, 1933.