

THE 11th March 1941

LEGISLATIVE ASSEMBLY DEBATES

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THIRTEENTH SESSION
OF THE
FIFTH LEGISLATIVE ASSEMBLY,
1941



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Legislative Assembly

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LEGISLATIVE ASSEMBLY

Tuesday, 11th March, 1941.

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

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

SUPERVISION OF DELHI MONUMENTS.

†297. *Maulvi Syed Murtuza Sahib Bahadur: (a) Will the Secretary, Department of Education, Health and Lands, please state if it is a fact that the Delhi monuments when they were under the charge of the Superintendent, Archæological Survey, Northern Circle, Agra, were looked after by a qualified engineering staff subordinate to the Superintendent, while the Public Works Department's engineering staff supervised the conservation of those monuments?

(b) Is the Director General or the Assistant Superintendent attached to his office a qualified engineer? If not, is it a fact that such technical supervision is lacking now when work at the monuments is done departmentally by the Director General?

Mr. J. D. Tyson: (a) Yes.

(b) The reply to the first part is in the negative. In regard to the second part, the Assistant Superintendent is a qualified architect and has the necessary subordinate technical staff to assist him in the execution of conservation work.

STOPPAGE OF INCREMENTS OF CERTAIN OFFICIALS IN THE OFFICE OF THE SUPERINTENDENT OF ARCHÆOLOGY, LAHORE CIRCLE.

†298. *Maulvi Syed Murtuza Sahib Bahadur: (a) Will the Secretary, Department of Education, Health and Lands please state if increments of certain officials in the office of the Superintendent of Archæology, Lahore Circle, were stopped some time ago by the Superintendent?

(b) Is it a fact that the Superintendent did so under orders of or in consultation with the Director General of Archæology, who is the appellate authority in such cases?

(c) Is it a fact that some of these officials appealed to the Director General against stoppage of their increments and that these appeals were rejected by him?

(d) Was the procedure regular and if so, who was to be the appellate authority in those cases?

Mr. J. D. Tyson: (a) Yes, the increments of certain members of the staff were stopped.

(b) No.

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

(c) Yes.

(d) In view of the reply to part (b) of the question, there was no irregularity of the kind suggested in the procedure followed in these cases. The Director General of Archæology in India was the appellate authority.

ANNUAL REPORT OF THE ARCHÆOLOGICAL SURVEY.

299. *Maulvi Muhammad Abdul Ghani: Will the Education Secretary please state to which year the last Annual Report of the Archæological Survey so far published pertains? If this report is not up to date, why has the publication of new Report been delayed?

Mr. J. D. Tyson: The last Annual Report published relates to the year 1935-36 and that for 1936-37 will appear very shortly. The delay in the publication of the report is partly due to the fact that owing to the death of Mr. Mazumdar, Superintendent in 1938, his reports had to be written by other officers. Moreover, since the outbreak of war, there have been particularly heavy demands on the Government of India Press.

Maulvi Muhammad Abdul Ghani: What about the 1937-38 report?

Mr. J. D. Tyson: Part I is in the press, and Part II is on the point of being sent to press. The report is going to be in a different form from 1937-38 onwards. It is going to be in two parts.

Maulvi Muhammad Abdul Ghani: May I know whether, during the time of the predecessor of the present Director General, the reports used to be published in time?

Mr. J. D. Tyson: I shall require notice of that question; but I can say that the report of 1934-35 was published in 1937.

MUSLIM CHAUKIDARS AT THE DELHI MONUMENTS.

300. *Maulvi Muhammad Abdul Ghani: (a) Will the Education Secretary please state if it is a fact that during the last two years, the Muslim Chaukidars at Tughlaqabad, Delhi Fort, and other monuments in Delhi have been dismissed by the Archæological Department? If so, what were the reasons for their dismissal?

(b) Who have been appointed in their places, Muslims or Hindus?

(c) Will the Secretary please place on the table of the House a statement showing the number of Hindu and Muslim chaukidars (giving the length of service of each) employed at the Delhi monuments before the monuments were transferred to the direct charge of the Director General, and on the 15th February, 1941?

Mr. J. D. Tyson: (a) Three Muslim Chaukidars have been dismissed during the last two years for incompetence.

(b) Two Muslims and one Hindu were appointed in the vacancies.

(c) Two statements furnishing the information required by the Honourable Member are laid on the table.

LIST No. I.

Length of service of Hindu and Moslem chowkidars prior to the transfer on the 1st April, 1938, to the charge of the Director General of Archaeology in India, New Delhi.

Serial No.	Approximate length of service on 1st April 1938 as far as can be ascertained.	Community.
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Delhi Monuments (work-charged establishment).

1	8 years	Hindu.
2	8 years	Do.
3	8 years	Do.
4	8 years	Do.
5	Over 2 years	Do.
6	Over 2 years	Do.
7	8 years	Do.
8	8 years	Do.
9	8 years	Do.
10	Over 2 years	Do.
11	2 years	Do.
12	8 years	Do.
13	8 years	Do.
14	8 years	Moslem.
15	11 years	Do.
16	Over 2 years	Do.
17	9 years	Do.
18	Over 16 years	Do.
19	8 years	Do.
20	Over 2 years	Do.
21	Over 2 years	Do.
22	Over 15 years	Do.
23	Over 2 years	Do.
24	Over 2 years	Do.
25	Over 2 years	Do.
26	Over 14 years	Do.
27	Over 14 years	Do.
28	8 years	Do.
29	Over 2 years	Do.
30	Over 2 years	Do.
31	Over 2 years	Do.
32	Over 2 years	Do.
33	Over 2 years	Do.
34	Over 2 years	Do.
35	Over 2 years	Do.
36	Over 2 years	Do.
37	Over 2 years	Do.
38	Over 2 years	Do.
39	Over 2 years	Do.
40	8 years	Do.
41	Over 2 years	Do.

Delhi Fort Archaeological Area Establishment (permanent non-pensionable).

42	11 years	Moslem.
43	17 years	Do.
44	9 years	Do.
45	5 years	Do.
46	7 years	Do.
47	9 years	Do.
48	9 years	Do.
49	7 years	Do.
50	16 years	Do.

Serial No.	Approximate length of service on 1st April 1938 as far as can be ascertained.	Community.
51	2 years	Moslem.
52	4 years	Do.
53	5 years	Do.
54	3 years	Do.
55	8 years	Hindu.
56	9 years	Do.
57	1 year	Do.

LIST No. 2.

Length of service of Hindu and Moslem chowkidars as it stood on the 15th February, 1941.

Serial No.	Approximate length of service on 15th February 1941 as far as can be ascertained.	Community.
<i>Delhi Monuments (work-charged establishment).</i>		
1	11 years	Hindu.
2	11 years	Do.
3	11 years	Do.
4	11 years	Do.
5	Over 4 years	Do.
6	Over 4 years	Do.
7	11 years	Do.
8	11 years	Do.
9	11 years	Do.
10	Over 4 years	Do.
11	5 years	Do.
12	0 year	Do.
13	2 years	Do.
14	11 years	Moslem.
15	2 years	Do.
16	1 year	Do.
17	11 years	Do.
18	0 year	Hindu.
19	11 years	Moslem.
20	Over 4 years	Do.
21	2 years	Do.
22	Over 17 years	Do.
23	1 year	Do.
24	2 years	Do.
25	Over 4 years	Do.
26	Over 16 years	Do.
27	Over 16 years	Do.
28	11 years	Do.
29	1 year	Do.
30	1 year	Hindu.
31	Over 4 years	Moslem.
32	Over 4 years	Do.
33	Over 4 years	Do.
34	0 year	Hindu.
35	0 year	Christian.
36	0 year	Hindu.
37	0 year	Do.
38	0 year	Moslem.
39	Over 4 years	Do.
40	11 years	Do.
41	Over 4 years	Do.

Serial No.	Approximate length of service on 15th February 1941 as far as can be ascertained.	Community.
<i>Delhi Fort Archaeological establishment (permanent non-pensionable).</i>		
42	14 years	Moslem.
43	19 years	Do.
44	12 years	Do.
45	8 years	Do.
46	10 years	Do.
47	12 years	Do.
48	12 years	Do.
49	10 years	Do.
50	19 years	Do.
51	5 years	Do.
52	0 year	Hindu.
53	1 year	Do.
54	2 years	Do.
55	0 year	Moslem.
56	11 years	Hindu.
57	4 years	Do.
<i>Permanent pensionable establishment.</i>		
58	7 years	Muslim.
59	9 years	Do.
		Transferred from the Fort Museum to the Delhi Fort establishment from 1st October 1939.

Sir Syed Raza Ali: Sir, it is a trivial matter, and I am sorry to put a supplementary question. But may I know who the appointing authority is? Is it the Director General of Archaeology or somebody else?

Mr. J. D. Tyson: I am afraid I do not know.

Sir Syed Raza Ali: Can the Honourable Member tell us how many non-Muslim chaukidars have been similarly dismissed during the last two years?

Mr. J. D. Tyson: I shall require notice of that question.

REPRESENTATION OF SHIPPING INTERESTS ON THE CENTRAL ADVISORY COMMITTEE FOR WAR SUPPLIES.

301. *Mr. Akhil Chandra Datta: Will the Honourable the Law Member be pleased to state if shipping interests are represented on the Central Advisory Committee for war supplies, of which he is the Chairman? If not, why are these interests not represented? If they are represented, will he please state who represents them?

The Honourable Sir Muhammad Zafrullah Khan: With the permission of the Honourable Member, I propose to answer questions Nos. 301—304 together. There is no Central Advisory Committee for War Supplies. There is, however, a Standing Advisory Committee attached to the Department of Supply. This Committee, as the Honourable Member is aware, is composed entirely of members elected by the Central Legislature.

Messrs. Mackinnon Mackenzie & Co. represent shipping interests on the Provincial Advisory Committees at Calcutta and Bombay. It is not

considered necessary to provide for similar representation on other Provincial Advisory Committees.

Representation on the Provincial Advisory Committees is not confined to the Chambers of Commerce. Messrs. Mackinnon Mackenzie & Co. as the managing agents of the British India Steam Navigation Company, Limited, hold a most prominent position in the Indian shipping world. Imperial Chemical Industries (India) Ltd. enjoy a most unique position in the Chemical industry of this country and in fact of the Empire. Consequently, with the consent of the Provincial Government concerned, these two firms were invited to serve on the Advisory Committee at Calcutta. If by the term "Indian shipping" Indian owned shipping is meant, it is as such not represented on any Advisory Committee. It is neither possible nor desirable to provide for separate representation for the diverse shipping interests as the size of the Advisory Committees is necessarily limited.

Dr. Sir Ziauddin Ahmad: Is it not a fact that a committee is associated with the Director General of Munitions Production, though it is not called a provincial committee, but by some other name?

The Honourable Sir Muhammad Zafrullah Khan: Yes, the Director General of Munitions Production has an advisory committee associated with him.

Dr. Sir Ziauddin Ahmad: I think the questioner meant that committee.

The Honourable Sir Muhammad Zafrullah Khan: How do I know?

REPRESENTATION OF SHIPPING INTERESTS ON THE PROVINCIAL ADVISORY COMMITTEES FOR WAR SUPPLIES.

†302. ***Mr. Akhil Chandra Datta:** (a) Will the Honourable the Law Member be pleased to state if shipping interests are represented on the Provincial Advisory Committees for war supplies in different provinces?

(b) If the answer to part (a) be in the affirmative, who represents the shipping interests on the different Provincial Advisory Committees?

(c) If the answer to part (a) be in the negative, will he be pleased to state why they are not represented, and whether the Government of India propose to take any steps to secure their representation?

SEPARATE REPRESENTATION GIVEN TO CERTAIN CONCERNS ON THE PROVINCIAL ADVISORY COMMITTEE FOR WAR SUPPLIES IN BENGAL.

†303. ***Mr. Akhil Chandra Datta:** (a) Will the Honourable the Law Member be pleased to state if Messrs. Mackinnon Mackenzie and Company have been nominated on the Provincial Advisory Committee for war supplies in Bengal, and, if so, whether they represent the shipping interests on that Committee?

(b) Is it not a fact that representation on such Provincial Advisory Committees has been given to Chambers of Commerce and not to individual concerns?

(c) Will the Honourable Member be pleased to state why such concerns as Messrs. Mackinnon Mackenzie and Company and the Imperial Chemical Industries (India) Limited, have been given separate representation on the Provincial Advisory Committee for war supplies in Bengal?

REPRESENTATION OF INDIAN SHIPPING INTERESTS ON THE PROVINCIAL AND CENTRAL ADVISORY COMMITTEES FOR WAR SUPPLIES.

†304. *Mr. Akhil Chandra Datta: (a) Will the Honourable the Law Member be pleased to state if Indian shipping interests are represented on the Central Advisory Committee for war supplies, or on any of the Provincial Advisory Committees for war supplies?

(b) If the answer to part (a) be in the negative, will he be pleased to state whether he proposes to take any steps to secure that representation? If not, why not?

CHARGE OF PERIODICAL INSPECTION OF THE MONUMENTS IN DELHI.

305. *Pandit Lakshmi Kanta Maitra: (a) With reference to the reply given to my starred question No. 561, dated the 28th March, 1940, will the Secretary for Education, Health and Lands be pleased to state if there is any objection to handing over charge of the periodical inspection of the monuments in Delhi to the technical staff of the Land and Development Office with an additional conveyance allowance of Rs. 85 only, instead of entrusting it to the Office Superintendent who draws Rs. 75 as special pay and Rs. 35 as conveyance allowance for the same purpose?

(b) Is it a fact that the permanent clerical staff of the Land and Development Office has been increased during this year?

(c) In the interests both of the efficiency and economy, are Government prepared to consider the suggestion of entrusting the technical work to the technical staff only?

(d) Is it not a fact that nowhere purely technical work of inspections, regular or periodical, is looked after by the clerical staff?

(e) What was the original expenditure on the supervision of these monuments before they were transferred to the Land and Development Officer and what is the total expenditure now, including allowances and special pay drawn by the senior clerk?

(f) Is it a fact that when the Land and Development Officer goes on leave, the office superintendent draws the following pays and allowances:

(1) his own pay Rs. 300;

(2) special pay of Rs. 75;

(3) conveyance allowance Rs. 35; and

(4) special pay of Rs. 100 when the Land and Development Officer is on leave?

(g) Is it a fact that a senior draftsman has been appointed on Rs. 150 to Rs. 250?

(h) Do Government propose to set up an enquiry for effecting reduction in expenditure in the Land and Development Office?

Mr. J. D. Tyson: (a) and (c). The Honourable Member's attention is invited to the reply given to parts (c) and (d) of the starred question No. 561 on March 28, 1940. The inspection by the staff of the Land and Development Office is for the purpose of maintaining a record of rights in the land, and preventing unauthorised occupation or interference with the buildings.

†For answer to this question, see answer to question No. 301.

(b) No.

(d) The information is not available.

(e) A statement giving the information required by the Honourable Member is laid on the table.

(f) When the Land and Development Officer proceeded on leave in 1939 and again in 1940, purely *ad hoc* arrangements as described in the question were made for the leave vacancy on each occasion.

(g) Yes. The former incumbent of the senior draftsman's post has proceeded on leave preparatory to retirement and a new appointment has been made in his place.

(h) A special inspection of the Land and Development Office was carried out by the Financial Adviser to the Chief Commissioner in 1939 and Government do not consider that any useful purpose will be served by another enquiry now.

Statement.

Formerly the expenditure on the supervision of these monuments was Rs. 75 per mensem, plus an assessed portion of the pay of the Ranger employed under the Superintendent, Horticultural Operations. The existing expenditure is Rs. 140 per mensem, made up as follows :

	Rs.
Pay of two Chowkidars at Rs. 15 per mensem	30
Special pay of Superintendent, Land and Development Office ...	75
Conveyance allowance of Superintendent, Land and Development Office	35

140

Pandit Lakshmi Kanta Maitra: With regard to part (f) of the question, may I know if the scale of salary as noted in the question is still in force or has expired?

Mr. J. D. Tyson: If he has returned from leave, the arrangement is finished.

WITHHOLDING OF ESTATE MATTERS APPEALS OF CERTAIN PRESS EMPLOYEES BY THE CONSULTING ENGINEER.

306. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member in charge of Labour Department, please state if it is a fact that Government have issued instructions recently that appeals in Estate matters should be addressed to the Labour Department through the Consulting Engineer? If so, why have the appeals of certain Press employees not been forwarded to the Labour Department by the Consulting Engineer?

(b) Is the Honourable Member prepared to direct the Consulting Engineer to forward all appeals withheld or rejected by him to the Labour Department for final orders? If not, why not?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) Yes. The orders on the subject are designed to obviate unnecessary references to the Government of India arising out of the House Allotment Rules. On this basis representations are in the first instance duly considered by the Consulting Engineer on their merits and if he considers that no useful purpose will be served by transmission to the Labour Department the appeal is rejected and the memorialists informed accordingly. Should, however, the memorialists not be prepared to accept the decision of the Consulting Engineer and request that the appeal may be forwarded to the

Labour Department for final orders, their requests are acceded to. It is thus open to the Press employees concerned to request again that their appeals may be forwarded to the Labour Department.

(b) No, in view of my reply to part (a) of the question.

SEPARATION OF CADRES FOR ACCOUNTANTS AND CLERKS IN GOVERNMENT OF INDIA PRESSES AND PRINTING AND STATIONERY DEPARTMENT.

307. *Qazi Muhammad Ahmad Kasmi: (a) Is the Honourable Member in charge of Labour Department aware of the undertaking given by him in the last winter session of the Legislative Assembly that the posts of Accountants in the Presses and Branches of the Stationery and Printing Department have been separated from the clerical cadre? If so, why has the Accountant of the Government of India Press, New Delhi, been allowed by the Manager of the said Press to officiate against the post of Head Assistant which post is borne on the clerical cadre?

(b) What are the scales of posts of Accountant and Head Assistant in the offices administered by the Controller of Printing and Stationery, India? If the scale be the same, what is the justification in putting the Accountants as Head Assistants or Superintendents, thereby blocking the career of the clerical staff?

(c) Is it a fact that when Accountants go on leave, the Assistants are not allowed to officiate in their places? If so, why are Accountants allowed to officiate *vice* Head Assistants and Superintendents?

(d) Are the Assistants in the Central Stationery Office, Calcutta, Forms Press, Calcutta and Central Publication Branch, Delhi allowed to officiate as Head Assistants or Superintendents? If so, why is this not done in the case of Assistants in the Government of India Press, New Delhi?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar:

(a) Presumably the Honourable Member has in mind the reply given by me on the 8th March, 1940, to part (e) of Mr. Muhammad Azhar Ali's unstarred question No. 64. What I stated was that 'orders have recently been issued for the exclusion of posts of Accountant from the clerical establishment for purposes of the leave reserve'. I also explained that those orders were designed to enable the Controller of Printing and Stationery to fill leave vacancies by transfer of qualified men from other Presses or Branches, if necessary. This does not mean that the posts of Accountant have been separated from the clerical cadre, or that the Accountants are debarred from officiating in the posts of Head Assistant.

(b) A statement is laid on the table of the House. The scales of pay of Accountants and Head Assistants are not the same in all cases. The latter portion of the question does not arise.

(c) Assistants are not ordinarily permitted to officiate as Accountants if the former do not possess the requisite qualifications. An Accountant is appointed to officiate as Head Assistant or Superintendent if, apart from his accounts qualifications, he is considered to be the most meritorious of the persons eligible to be appointed.

(d) The reply to the first part is in the affirmative. As regards the second, the Accountant has been appointed to officiate as Head Assistant in the Government of India Press, New Delhi, as he is considered to be more meritorious than any of the Assistants.

Statement showing the rates of pay of the posts of Accountant and Head Assistant in the Presses and Branches of the Stationery and Printing Department.

Names of Presses and Branches of the Stationery and Printing.	Scale of pay of the post of Accountant.		Scale of pay of the post of Head Assistant.		Remarks.
	Old rate.	Revised rate.	Old rate.	Revised rate.	
	Rs.	Rs.	Rs.	Rs.	
1. Government of India Press, Calcutta	250-10-350	225-15/2-300	250-10-350	225-15/2-300	
2. Forms Press, Calcutta	250-10-350	225-15/2-300	There is no post of Head Assistant.		(a) For persons who join service on or after the 10th January 1940.
		175-15/2-250 (a)			
3. Government of India Press, New Delhi	175-15/2-250	175-15/2-250	180-10-250	175-15/2-250	
4. Forms Press, Aligarh	100-5-140	100-5-125	125-5-175	125-5-150	
5. Government of India Press, Simla	There is no post of Accountant.		There is no post of Head Assistant.		
6. Central Stationery Office, Calcutta	250-10-350	225-15/2-300	{ Class I 250-10-350 225-15/2-300. Class II 200-10-250 180-15/2-225		
7. Central Forms Store, Calcutta	250-10-350	225-15/2-300	{ Class I 250-10-350 225-15/2-300 Class II 200-10-250 180-15/2-225		
8. Central Publication Branch, Delhi	250-10-350	225-15/2-300	There is no post of Head Assistant.		
		175-15/2-250 (a)			

†308—313*.

INADEQUATE NUMBER OF SHIPS EMPLOYED BY THE MOGUL LINE FOR
OUTWARD AND INWARD VOYAGES OF HAJ PILGRIMS.

314. *Qasi Muhammad Ahmad Kazmi: (a) Will the Education Secretary be pleased to state whether Government had allotted 75 per cent. of the pilgrim traffic to the Mogul Line in the 1939-40 Haj season on the basis of the carrying capacity of the seven ships of that Line?

(b) Is it a fact that only three ships were employed by the Mogul Line for taking the pilgrims from India to Jeddah during the 1939-40 Haj season and only four ships were employed for bringing the pilgrims back from Jeddah to India?

(c) Was the employment of only three ships on the outward voyage and only four ships on the inward voyage in accordance with the allotment of 75 per cent. of the pilgrim traffic which was based on the carrying capacity of seven ships?

(d) Is it a fact that, in view of the employment of only three ships for the carriage of pilgrims on the outward voyage by the Mogul Line, a large number of pilgrims were put to great inconvenience, such as overcrowding in ships and waiting in ports for days while going from India to Jeddah and in view of the employment of only four ships for the return trip hundreds of pilgrims had to wait for four to six weeks in Jeddah for the arrival of a ship?

(e) If the answer to part (d) above be in the affirmative, will the Honourable Member be pleased to state whether Government took up this matter with the Mogul Line in the interests of the pilgrims and, if so, what explanation they have received from that company for berthing a far smaller number of ships than the number of ships on the carrying capacity of which they claimed their quota and were given the same by Government?

Mr. J. D. Tyson: (a) To ensure the more economical use of shipping, Government proposed to make an allocation of the traffic in the proportions stated by the Honourable Member.

(b) Yes.

(c) For the outward journey three ships were employed and there were five sailings. On the inward journey four ships were employed and there were seven sailings. The proposed allocation between the Scindia Steam Navigation Company and the Mogul Line, based on the carrying capacity of the two fleets, never came into operation as the Scindia Company refused to accept it. The shipping programme actually adopted was approved by Government and was designed to avoid an uneconomical use of tonnage.

(d) Apart from an excess of pilgrims carried by the S. S. "Rizwani" in the last sailing from Karachi, the reasons for which have already been fully explained to the House, there was no overcrowding in the ships, and no abnormal delays took place on the outward voyage. As regards the inward voyage, no pilgrims were detained at Jeddah longer than four weeks,

†These questions were withdrawn by the questioners.

with the exception of 67 who reached Jedda from Medina over three months after the Haj date: these were ultimately repatriated by way of Bahrein in view of the changed position then prevailing in the Red Sea.

(e) Does not arise.

Dr. Sir Ziauddin Ahmad: In view of the fact that Scindia demanded 50-50 instead of 75-25, may I ask whether all these troubles that we have seen recently are due to the fact that the proportion of 75-25 was not considered to be equitable?

Mr. J. D. Tyson: I do not know to what troubles the Honourable Member refers. Last year's pilgrimage went off very well and this year's pilgrimage even better.

Dr. Sir Ziauddin Ahmad: The trouble is that they boycotted it last year. This time, of course, it is entirely different.

Mr. J. D. Tyson: I do not think it has affected the running of the pilgrimage.

Maulana Zafar Ali Khan: Has any offer been made by Government to the Scindia Steam Navigation Company?

Mr. J. D. Tyson: They were given the same offer as the Mogul line for the current year but they would not accept it.

Qazi Muhammad Ahmad Kazmi: With reference to part (a) of the question, I understand that Government fixed 75 per cent. for economy of tonnage or shipping. Would a 50-50 per cent. division between Scindia and Mogul line make any difference?

Mr. J. D. Tyson: No, Sir. Fifty per cent. and 75 per cent. have nothing to do directly with economy of shipping. Regulation was resorted to by Government to ensure economy of shipping, and the moment there was regulation, the question arose as to how many ships of each line were to be berthed. For that reason Government had to suggest allocation of the traffic.

Qazi Muhammad Ahmad Kazmi: Are any dates for the sailings from Jedda notified to the pilgrims, so that they may come in time and may not have to wait for four weeks at Jedda?

Mr. J. D. Tyson: I do not think it is possible to notify to the pilgrims at the Jedda end the dates on which ships would be available for the reason that the pilgrims are either on their way back from Mecca to Jedda or from Mecca to Medina or from Medina to Jedda. It is impossible to get in touch with the pilgrims until they actually reach Jedda. On arrival at Jedda they register their names for passage back.

Qazi Muhammad Ahmad Kazmi: Are any dates fixed at all for sailings from Jedda? If so, can they not be notified at Jedda, Mecca and Medina so that pilgrims who start from Medina or Mecca may know that they must reach Jedda by such date if they want to catch the ship?

Mr. J. D. Tyson: I think it is exceedingly unlikely that we could in war time notify the actual dates in Jedda. We cannot do it in India and still less in any neutral country.

Qazi Muhammad Ahmad Kazmi: Have they ever thought of doing this in peace time?

Mr. J. D. Tyson: I shall require notice of that question.

Mr. Lalchand Navalrai: May I know if they arrived there in time for the Haj?

Mr. J. D. Tyson: They did.

ENORMOUS RISE IN THE RATES OF FREIGHT FROM CALCUTTA TO JEDDA.

315. *Maulvi Syed Murtuza Sahib Bahadur: (a) Will the Honourable the Commerce Member be pleased to state whether it is a fact that while the rate of freight per bag of rice from Calcutta to Jedda before the outbreak of the war was Rs. 1, Rs. 3-8-0 per bag shipped per s.s. "Akbar" which sailed from Calcutta in December 1940 were charged from Calcutta to Jedda?

(b) If the answer to part (a) be in the negative, will the Honourable Member be pleased to state what the rate of freight charged was?

(c) If the answer to part (a) be in the affirmative will the Honourable Member be pleased to state whether Government have enquired that this enormous rise of over 250 per cent. in the rate of freight was necessary to meet the cost of operations, particularly after the ship was given a subsidy for meeting the war risk insurance and other expenses due to detention, etc.?

(d) What was the rate of freight on bag cargo carried from Bombay and Karachi to Jedda by pilgrim ships during the pilgrim season of 1940-41 and what was the rate charged on such cargo before the outbreak of the war?

(e) What was the total quantity of cargo carried from India to Jedda and other Red Sea Ports by the pilgrim ships that sailed with pilgrims during 1940-41 Haj Season?

(f) In view of the notification issued by the Government of India in September, 1940, were the rates charged by the Mogul Line on cargo carried by their pilgrim ships between Indian ports and Jedda under the control of the Commerce Department, and if so, were the rates charged fixed by the Line with the approval of the Commerce Department? If not, why were they not under their control?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) and (b). The pre-war rate of freight between Calcutta and Jedda varied between Rs. 1-4-0 and Rs. 1-8-0 per bag of 168 lbs. The rate of freight charged per s.s. "Akbar" which sailed from Calcutta in December, 1940 was Rs. 3-8-0.

(c) The increase in the freight rate was due partly to the increase in payments for war risk insurance and partly to the probable increase in the duration of the voyage which it was not possible to estimate accurately in advance. The promise of assistance to the Line was given in connexion with the carriage of pilgrims only, and the company will be required to meet the fair share of war risk insurance and detention expenses which are debitable to the carriage of cargo.

(d) The rate of freight during the pilgrim season 1940-41 was Rs. 2-12-0 per bag. The pre-war rate was Rs. 1-4-0 per bag.

(e) 8,576 tons.

(f) The reply to the first portion is in the negative. The latter part does not arise.

I may, however, explain in this connexion that the notification of September, 1940, referred to by the Honourable Member was cancelled almost at once and Government have not so far exercised any control over freight rates charged by shipping companies.

Mr. Lalchand Navalrai: When the rates and freights were increased, why was any subsidy given?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: No subsidy has been given.

Mr. Lalchand Navalrai: Why that promise then?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: The promise was given so that the company may keep the charges for the passengers at a reasonable level. Should the company incur any loss on the total voyage including freight for cargo and rate for passengers, then the Government of India was prepared to consider the question of a subsidy for special and unexpected conditions then arising during the last few months. The question whether any subsidy should be given will depend upon the total result of the voyage and it is likely that no subsidy may have to be paid at all.

Mr. Husenbhai Abdullahhai Laljee: Was this freight of Rs. 3-8-0 fixed by the company after consultation with Government?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: No, Sir.

Mr. Husenbhai Abdullahhai Laljee: If they make enormous profits, will they give back something as rebate to Government for having promised a subsidy?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: When other industrialists are prepared to do that, I am sure, the Mogul line will be prepared to consider that.

Mr. Husenbhai Abdullahhai Laljee: There is a guarantee by you and you allow them to charge any amount and any freight they like. That guarantee and that liberty you do not give to other industries.

DESTRABILITY OF ABOLITION OF CALL OF PILGRIM SHIPS AT KAMARAN.

316. *Maulvi Syed Murtuza Sahib Bahadur: Will the Education Secretary please state whether it is a fact that pilgrim ships from India this year were allowed to proceed to Jeddah without medical examination at

Kamaran Quarantine Station, and whether in view of the Muslim public's persistent demand, he is prepared to consider favourably the question of abolishing the call of pilgrim ships at Kamaran?

Mr. J. D. Tyson: The call of pilgrim ships at Kamaran was dispensed with during the 1940-41 pilgrim season as a special case owing to war conditions. It cannot be permanently discontinued without the concurrence of the other parties to the Anglo-Dutch Agreement relating to Kamaran, *vis.*, His Majesty's Government and the Government of the Netherlands.

Maulvi Syed Murtuza Sahib Bahadur: Will Government make a move in this matter, so that the international rules in this connection may be modified?

Mr. J. D. Tyson: Honourable Members will appreciate that when all the Governments concerned are fully occupied with the war, the moment is hardly opportune for reopening the matter.

INDIANS IN MUNITION FACTORIES.

317. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable the Law Member be pleased to state how many Indians have been employed in Muniton factories in India since the outbreak of the war and how many of them are Europeans, Anglo-Indians and purely Indians?

The Honourable Sir Muhammad Zafrullah Khan: I regret that I cannot understand the question. If the Honourable Member will kindly put down a question indicating more precisely the information which he requires I shall be happy to give it.

PROTECTIVE MEASURES AGAINST AIR RAIDS ON WAR MATERIALS FACTORIES.

318. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable the Labour Member be pleased to state what protective measures have been taken regarding all iron and steel and muniton factories, manufacturing war materials in India, Province by Province, against possible air raids by enemies?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Government are taking all necessary measures for protection and in this connection attention is invited to the Press Note on the subject issued on the 15th February, 1941.

UNSTARRED QUESTIONS AND ANSWERS.

SAFEGUARDING THE INTERESTS OF MUSLIM CANDIDATES IN FILLING VACANCIES IN THE GOVERNMENT OF INDIA PRESSES.

117. Mr. Muhammad Azhar Ali: (a) Is the Honourable Member in charge of Labour Department, aware that Managers of the Government of India Presses are not maintaining the approved lists of candidates in the correct manner as laid down by the Home Department circular?

(b) Is it a fact that for unreserved vacancies, Muslim candidates are not considered for appointments?

(c) Is it a fact that Muslim candidates, who had been officiating off and on for more than a year, are not considered at the time of filling unreserved vacancies and that Hindu candidates who have recently passed the test are being given appointments in preference to experienced Muslim candidates?

(d) If the answer to the preceding parts be in the affirmative, what action is proposed to be taken to prevent injustice to Muslim candidates, and is the Honourable Member prepared to institute an examination of a certain percentage of appointment papers of the Government of India Presses?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) I am not aware of any such instructions having been issued by the Home Department.

(b) No.

(c) If the Honourable Member will kindly mention the name of the Press, the particular category of appointments for which the test was held, and when it was held, I shall have enquiries made.

(d) Does not arise.

COMMUNAL COMPOSITION OF POSTS IN THE CENTRAL STATIONERY OFFICE, CALCUTTA.

118. Mr. Muhammad Azhar Ali: (a) Will the Honourable Member in charge of Labour Department please state to which community the present incumbents of the following posts belong in the Central Stationery Office, Calcutta:

- (1) Deputy Controller, Stationery,
- (2) Assistant Controller, Stationery,
- (3) Superintendents Stationery,
- (4) Head Clerks, Stationery,
- (5) Chemical Examiners, Stationery, and
- (6) Assistants?

(b) Is it a fact that all the important posts in the Central Stationery Office, Calcutta, are being held by Hindus for the last ten years or so?

(c) If the answer to part (b) be in the Affirmative, do Government propose to make a change and break this monopoly of Government of India posts by one community?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) The present incumbents of the posts (1) to (4) are Hindus. The 5th category comprises two Chemical Assistants and one Store Examiner, of these two are Hindus and one Muslim. Of the Assistants, 15 are Hindus and three are Muslims.

(b) No.

(c) Does not arise.

DESIRABILITY OF APPOINTING A QUALIFIED PRINTER IN THE CENTRAL STATIONERY OFFICE, CALCUTTA.

119. Mr. Muhammad Azhar Ali: (a) Will the Honourable the Labour Member please state whether it is a fact that more than 50 per cent. of

the purchases made by the Central Stationery Office, Calcutta, is done for the Government of India Presses?

(b) Is he aware that in other purchasing departments of the Government of India, such as, Supply Department, Indian Stores Department, etc., technical officers supervise the purchases?

(c) If the answer to part (b) be in the affirmative, when do Government propose to appoint a qualified printer in the above office? If not, why not?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) No.

(b) Yes, except in a few isolated cases.

(c) It is not necessary for any of the officers in the Central Stationery Office to be a qualified printer.

DESIRABILITY OF APPOINTING A QUALIFIED PRINTER IN THE HEADQUARTERS OFFICE OF THE CONTROLLER OF PRINTING.

120. Mr. Muhammad Azhar Ali: (a) Will the Honourable the Labour Member please state whether it is a fact that the Central Printing Clearing Office distributes work to all the Government of India Presses, according to their capacity and capability and also gives necessary instructions to the Managers as regards types, style, etc.?

(b) Is it a fact that certain Government of India Presses, such as, at Simla, Calcutta and Aligarh remain idle a great deal?

(c) Is it also a fact that the Government of India Press, Simla, idled a lot during the years 1939 and 1940, whereas the Government of India Press, Delhi, worked overtime throughout that whole period?

(d) Do Government propose to appoint a qualified printer in the headquarters office of the Controller of Printing Office in the near future? If not, why not?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) The distribution of work to the Government of India Presses is done by the Assistant Controller, Printing, who is in charge of the Clearing section of the Office of the Controller of Printing and Stationery, India, according to the nature of the work and the capacity and capability of the press. Instructions regarding type, style of printing, etc., are given to the presses whenever necessary in conformity with the prescribed Rules for Printing and Binding.

(b) No.

(c) Some sections of the Government of India Press, Simla, remained idle for short periods during the years 1939 and 1940 due to paucity of suitable work for that press consequent on the economy measures introduced in printing and stationery as a result of the war. The overtime in the New Delhi press was due mainly to urgent and immediate work in connection with the war which could not be entrusted to the Simla press on account of its urgency.

(d) No. No technical qualifications are considered necessary for the Assistant Controller, Printing. The present incumbent, however, possesses such qualifications.

**COMMUNAL COMPOSITION OF THE BINDERY, MACHINE AND COMPOSING
BRANCHES OF THE GOVERNMENT OF INDIA PRESSES.**

121. Mr. Muhammad Ashar Ali: (a) Is the Honourable the Labour Member aware that Muslims are losing ground in the Bindery, Machine and Composing Branches of the Government of India Presses for the last few years?

(b) Will he please lay on the table comparative statements of posts in the branches mentioned in part (a) which were held by different communities in the Government of India Presses in 1939 and 1940?

(c) With reference to part (b), will the Honourable Member please state the reason why the shortage has taken place? What action does he propose to take to prevent it?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: (a) No.

(b) A statement showing the number of posts held by members of different communities in the Bindery, Machine and Composing Branches of the Government of India Presses on the 1st January, 1939, and the 1st January, 1940, is laid on the table.

(c) Does not arise.

Statement showing the number of posts held by members of different communities in the Binding, Machine and Composing Branches of the Government of India Presses on the 1st January, 1939, and the 1st January, 1940.

		Hindus (including Depressed classes).	Muslims.	Other minorities.	Total.
GOVERNMENT OF INDIA PRESS, CALCUTTA.					
(A) Binding Branch (Binders and Warehousemen).	1-1-39	4 (+8)	125 (+9)	1 (+2)	130 (+19)
	1-1-40	6 (+7)	127 (+6)	3	136 (+13)
(B) Machine Branch (Machinemen and Pressmen).	1-1-39	2 (+1)	36 (+4)		38 (+5)
	1-1-40	3 (+1)	36 (+3)		39 (+4)
(C) Composing Branch (Lino and mono. operators, etc., compositors, impositors and distributors).	1-1-39	114 (+14)	28 (+6)	8	150 (+20)
	1-1-40	117 (+14)	31 (+6)	8 (+1)	156 (+21)
GOVERNMENT OF INDIA PRESS, NEW DELHI.					
(A) Binding Branch (Binders and Warehousemen).	1-1-39	31 (+1)	45	3	79 (+1)
	1-1-40	32	45	4	81
(B) Machine Branch (Machinemen and Pressmen, etc.)	1-1-39	5	19	3	27
	1-1-40	6	17	4	27
(C) Composing Branch (Lino and mono operators, compositors, impositors and distributors).	1-1-39	95	77 (+4)	9	181 (+4)
	1-1-40	94 (+1)	78	9	181 (+1)

	Hindus (including Depressed classes).	Muslims.	Other minorities.	Total.
GOVERNMENT OF INDIA PRESS, SIMLA.				
(A) Binding Branch (Binders and Warehousemen).	{ 1-1-39 20 (+2) 1-1-40 20 (+2)	20 (+3) 20 (+1)	1 1 (+1)	41 (+5) 41 (+4)
(B) Machine Branch (Machine- men, Pressmen, etc.).	{ 1-1-39 12 (+1) 1-1-40 12 (+1)	2 2	14 (+1) 14 (+1)
(C) Composing Branch (Lino and mono operators, com- positors, impositors).	{ 1-1-39 40 (+2) 1-1-40 39	41 (+2) 36 (+2)	4 4	85 (+4) 79 (+2)

FORMS PRESS, ALIGARH.

(A) Binding Branch (Binders)	{ 1-1-39 38 (+5) 1-1-40 37 (+7)	32 (+14) 32 (+13)	4 3 (+1)	74 (+19) 72 (+21)
(B) Machine Branch (Pressmen, Machinemen and Rotary printers).	{ 1-1-39 28 1-1-40 28	5 5	1 1	34 34
(C) Composing Branch (Com- positors and impositors).	{ 1-1-39 6 1-1-40 6	7 (+1) 7 (+1)	13 (+1) 13 (+1)

FORMS PRESS, CALCUTTA.

(A) Binding Branch (Binders)	{ 1-1-39 2 (+2) 1-1-40 2 (+2)	9 (+1) 9 (+1)	11 (+3) 11 (+3)
(B) Machine Branch (Machine- men).	{ 1-1-39 1 1-1-40 1	11 (+3) 11 (+3)	12 (+3) 12 (+3)
(C) Composing Branch (Com- positors and impositors).	{ 1-1-39 4 (+1) 1-1-40 4 (+1)	4 (+1) 4 (+1)

NOTE.—Figures in brackets relate to temporary appointments.

ACCEPTANCE OF AN OFFICE IN A TRADE UNION OR OF EDITORSHIP, ETC., OF ITS PERIODICAL BY A GOVERNMENT OR RAILWAY SERVANT.

122. Sardar Sant Singh: Will the Honourable Member for Labour please state if there is any prohibition imposed upon a Government, including Railway, servant against the editing, printing and publishing of a periodical of a trade union of which he is a member, or holding an office in the union? If so, what are its particulars?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: No general prohibition has been laid down, but the attention of the Honourable Member is invited to rule 18 of the Government Servants' Conduct Rules which governs the editing or management of a periodical by Government servants including Railway servants to whom these Rules apply.

RECOGNITION OF A TRADE UNION OF A CLASS OR SECTION OF GOVERNMENT OR RAILWAY SERVANTS.

123. Sardar Sant Singh: Will the Honourable Member for Labour please state if there is any prohibition against the recognition of a trade union of a class or section of Government, including Railway, servants by the Administration or Head of Office? If so, what are its particulars?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: The attention of the Honourable Member is invited to the 'Rules for the recognition of associations of industrial employees (including Railway employees) of the Government of India', copies of which are placed in the Library of the House. The grant and continuance of recognition rests in the discretion of Government or in the authority to whom the power is delegated by Government. It is not the policy of Government in the Railway Department to recognise small unions whose membership is restricted to certain categories of staff.

MOTION FOR ADJOURNMENT.

DETENTION IN 'C' CLASS OF KHAWAJA KHALEEL AHMAD SHAH, ex-M.L.C., UNITED PROVINCES.

Mr. President (The Honourable Sir Abdur Rahim): I have received notice of a motion for adjournment of the business of the House today from Qazi Muhammad Ahmad Kazimi. He wishes to discuss a definite matter of urgent political importance, viz., the detention in 'C' Class of Khawaja Khaleel Ahmad Shah, ex-M.L.C., United Provinces, a Member of the Municipal Board, Bahraich, author of several books, who has been convicted under Defence of India Rules.

Does the Honourable Member draw a distinction between "public importance" and "political importance"?

Qazi Muhammad Ahmad Kasmi (Meerut Division: Muhammadan Rural): I am very sorry, I meant "public".

Mr. President (The Honourable Sir Abdur Rahim): I suppose the Honourable Member means that it is the duty of this Assembly to decide what prisoners are to be allotted which class?

Qazi Muhammad Ahmad Kasmi: In yesterday's speech, the Honourable the Home Member said that the Government of India have issued instructions to the various Provincial Governments that persons who are entitled to "A Class" treatment must be given "A Class" treatment if they are convicted under the Defence of India Act and if those conditions are not acted upon by the various Provincial Governments which are to act according to the instructions given by the Government of India, then the responsibility would lie on the Government of India.

The Honourable Sir Reginald Maxwell (Home Member): Sir, it is for the Government of India to lay down certain general principles and the principle I referred to yesterday was that a person is not debarred from being classed in "A Class" by the fact that he had been convicted of civil disobedience offence. That is all I told the House yesterday. But in

the matter of detailed classification of individual prisoners, it is and it has always been a matter entirely for the Provincial Governments in which the Central Government cannot possibly have any say.

Mr. President (The Honourable Sir Abdur Rahim): Having regard to the statement made by the Honourable the Home Member, I hold that this motion is not in order. The matter, of classifying the different prisoners according to the rules and instructions issued by the Government of India, is left to the discretion of the Local Governments, and it is not possible to discuss each individual case on its merits in this Assembly. The motion is disallowed.

ELECTION OF THE CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform the Assembly that upto 12 Noon on Monday, the 10th March, 1941, the time fixed for receiving nominations for the Central Advisory Council for Railways, seven nominations were received. Subsequently one member withdrew his candidature. As the number of remaining candidates is equal to the number of vacancies, I declare the following members to be duly elected, namely:

- (1) Haji Chaudhury Muhammad Ismail Khan,
- (2) Mr. Lalchand Navalrai,
- (3) Lieut.-Colonel Sir Henry Gidney.
- (4) Lieut.-Colonel M. A. Rahman,
- (5) Dr. R. D. Dalal, and
- (6) Mr. H. M. Abdullah.

STATEMENT LAID ON THE TABLE.

HOME DEPARTMENT DECLARATION OF EXEMPTION.

The Honourable Sir Reginald Maxwell (Home Member): Sir, I lay on the table a copy of the Home Department Declaration of Exemption, No. 1/1/41-Political-E, dated the 5th March, 1941.

Government of India, Home Department Declaration of Exemption, No. 1/1/41-Political (E), dated New Delhi, the 5th March, 1941.

In exercise of the powers conferred by section 6 of the Registration of Foreigners Act, 1939 (XVI of 1939), the Central Government is pleased to declare that the provisions of the Registration of Foreigners Rules, 1939, except rule 8 and such of the provisions of rules 4, 14, 15 and 16 as apply to, or in relation to, passengers and visitors who are not foreigners, shall not apply to, or in relation to Mr. Kazuo Suto, an official attached to the Japanese Consulate General at Calcutta, so long as he holds a post in that Consulate-General.

(Sd.) H. J. FRAMPTON,
Deputy Secretary to the Government of India.

THE INDIAN MERCHANT SHIPPING (AMENDMENT) BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

Khan Bahadur Shaikh Fazl-i-Haq Piracha (North-West Punjab: Muhammadan). Sir, I present the Report of the Select Committee on the Bill further to amend the Indian Merchant Shipping Act, 1928.

ELECTION OF THE STANDING COMMITTEE FOR THE DEPARTMENT OF COMMUNICATIONS.

The Honourable Sir Andrew Olow (Member for Railways and Communications): Sir, I move:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, four non-official Members to serve on a Standing Committee to advise on subjects, other than 'Roads' dealt with in the Department of Communications, during the year 1941-42."

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

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, four non-official Members to serve on a Standing Committee to advise on subjects, other than 'Roads' dealt with in the Department of Communications, during the year 1941-42."

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): Sir, I think, so far as this Advisory Committee is concerned, this includes all departments other than "Roads", viz., Posts and Telegraphs, and perhaps Broadcasting. Although this appears to be a very important Committee, I have come to know that this Committee does not sit throughout the year. I was once a member of the Postal Committee, and, with very great effort, I succeeded to be a member of the same, but that Committee never sat either during the Session or outside the Session. What is the use of having these Committees merely on record and moving motions for their election? Is there any necessity? A few members may be called in and consulted. There is no proper agenda for the Committee. No voice is given to any member to give notice of anything to be included in the agenda. Then, what for are these Committees elected year after year and thus the time of the House is wasted? Sir, I oppose the election of this Committee.

Sardar Sant Singh (West Punjab: Sikh): I would ask the Honourable Member to give us the benefit of his views why the Committees are not called, and why are they elected at all?

The Honourable Sir Andrew Olow: It is not true that these Committees are not called. This Committee meets every Session of the Assembly. We had a meeting of this Committee only a few days ago, and are having another meeting of this Committee next week to see something of the Delhi rural broadcasting system.

Mr. Muhammad Nauman (Patna and Chota Nagpur cum Orissa: Muhammadan): How many meetings were held till now?

The Honourable Sir Andrew Olow: One during each Session. This current year, there will probably be three.

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

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, four non-official Members to serve on a Standing Committee to advise on subjects, other than 'Roads' dealt with in the Department of Communications, during the year 1941-42."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): I may inform Honourable Members that for the purpose of election of members for the Standing Committee for the Department of Communications, the Notice Office will be open to receive nominations upto 12 Noon on Friday, the 14th March, 1941, and that the election, if necessary, will take place on Monday, the 17th March, 1941. The election, which will be held in the Assistant Secretary's room in the Council House between the hours of 10-30 A.M. and 1 P.M., will be conducted in accordance with the principle of proportional representation by means of the single transferable vote.

THE INDIAN FINANCE BILL.

The Honourable Sir Jeremy Raisman (Finance Member). Sir, I move:

"That the Bill to fix the duty on salt manufactured in, or imported by land into certain parts of British India, to vary the rate of the excise duty on matches leviable under the Matches (Excise Duty) Act, 1934, to vary the rate of the excise duty on mechanical lighters leviable under the Mechanical Lighters (Excise Duty) Act, 1934, to vary the rate of the duty on artificial silk yarn and thread leviable under the Indian Tariff Act, 1934, to fix maximum rates of postage under the Indian Post Office Act, 1898, to fix rates of income-tax and super-tax and to continue the charge and levy of excess profits tax and fix the rate at which excess profits tax shall be charged, be taken into consideration."

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

"That the Bill to fix the duty on salt manufactured in, or imported by land into certain parts of British India, to vary the rate of the excise duty on matches leviable under the Matches (Excise Duty) Act, 1934, to vary the rate of the excise duty on mechanical lighters leviable under the Mechanical Lighters (Excise Duty) Act, 1934, to vary the rate of the duty on artificial silk yarn and thread leviable under the Indian Tariff Act, 1934, to fix maximum rates of postage under the Indian Post Office Act, 1898, to fix rates of income-tax and super-tax and to continue the charge and levy of excess profits tax and fix the rate at which excess profits tax shall be charged, be taken into consideration."

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, it has always been decided by this House that when we vote the expenditure, we must vote the supplies: it is a necessary corollary that having passed the budget for expenditure, this House must vote the supplies to meet that expenditure. But one feels that the opinion must be expressed whether the new sources of income which have been brought before the House are advisable or not, although I would be the last person to say that the defence expenditure or the expenses to win the war, which are necessary, whatever they may rise to, should not be voted by this House. Even if the deficit had been more than Rs. 20.85 lakhs as it is at present, I would have given my vote in favour of meeting that expenditure. But we have to see one thing, whether the expenditure that is being made is really necessary or whether money is being squandered. I cannot be a judge of all the details of the expenditure,

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but we find one thing that some money is really being wasted in some Departments; and that I can judge by one thing, how much proceeds the Honourable Member had been able to get from the Excess Profits Tax. If the people have been allowed to make excess profits in such large quantities, that very fact shows that money has been going to these people somehow or other from the Government Departments, by giving contracts at such high rates that these people have been able to make such huge profits. A large proportion of these profits is, I think, due mostly to the activities of the war, and those who have been dealing with the Departments connected mostly with war activities have made more profits. That shows that the expenditure is not properly controlled: if the Government had controlled the giving of contracts on proper lines, they would not have had to pay with one hand and take it back with the other. Here, if you want money to spend to meet war requirements and production of materials at reasonable cost, we will certainly say: "Take it; we have no quarrel with you; but if you allow any Department to shut their eyes to the cost at which they purchase commodities for war requirements, then this House must draw the attention of Government to the fact that they are not properly using the money for which they receive the vote of this House." I do not want to be hard in these exceptional cases, because a large number of people have been employed who are given licence to spend. They are not people who can understand what prices are prevailing—they are practically novices in many matters and the Government have not been taking into confidence those people who can advise them better in regard to the price of particular commodities: the Government have been leaving it in the hands of those who are interested in those concerns. How can you expect a man to give you good advice in a matter in which he is personally interested and wants to make money out of it?

If I find that the barracks are built in New Delhi and houses are erected at enormous cost simply because the Government wanted that some buildings should be finished by a certain date—say within two or three months—and then you give the contracts at exorbitant prices and money is lavishly spent in other places in similar fashion, this House has got a right to say: "We do not like to be in your way in meeting your requirements, but we will object to your squandering money." I have seen in many places money spent in this way. I do not want to go into details and give examples of how in the Army Budget these people are spending money and purchasing even in districts where there are army headquarters and how contracts are given; but I would like that the Finance Department should exercise more vigilance and should adopt the principle that people with no experience should not be entrusted with the work; e.g., a man has been recently recruited as a military officer: he does not know what the prices would be and he is asked to give contracts and he gives them at any price he chooses. That has to be controlled in the districts. I do not mean to say that the Supply Department or the Stores Department is not exercising proper vigilance in the centre; but instances have come to my notice where money has been squandered. It may be right to say that the defence expenditure is non-votable: item by item it may not be votable, but I take it that everything is votable. You may not put to vote particular salaries, but

when you come before the House to ask for the money to meet that expenditure, it becomes votable. If this House does not give you the vote to get that money, then this House can go into the merits of each case and find out whether you have allowed this money to be spent properly or not. It is an anomaly, it is a fiction, to call it non-votable. Everything is votable in this House, and though this House may not be anxious to exercise its powers under these abnormal conditions, yet it will have to take the Government to task after the war. I do not want that your successors should be told by a future Government that they cannot hold themselves responsible for your present actions, because the negligence was due to somebody else; but the Government as a whole will not be justified in saying that the mistake was an error as it had been said when some fault was committed by a certain individual and no notice was taken of it. I should like the Honourable the Finance Member to make the position quite clear so that his successor may not disclaim all responsibility for any negligence of the present Government.

Now, Sir, one thing is quite obvious, and it is that the imports have decreased considerably, because India is not able to get goods from the outside world to the same extent which she used to do before the war . . .

Sir Abdul Halim Ghuznavi (Dacca cum Mymensingh: Muhammadan Rural): Exports also have decreased.

Sir Muhammad Yamin Khan: Yes, but if the imports have decreased to such an extent as the Honourable the Finance Member has disclosed, that clearly shows that the wealth of the country has also decreased, because the business of the people has decreased; people who were doing import business have lost their business altogether, and they are not getting any return on their capital which they used to get before, while their expenditure remains the same, and the importers who used to get their goods from outside are not so well off as they were two years ago. Though, in the first year, they may have made a lot of money on the stocks which they had held, later on when their stocks became exhausted, they had very little work to do; in fact there is very little stock left with them, and yet the Honourable the Finance Member proposes to put them on the same level as those who have been making a lot of money . . .

Sir Abdul Halim Ghuznavi: Who are making a lot of money?

Sir Muhammad Yamin Khan: My friend, Sir Abdul Halim Ghuznavi, says that the exports also have decreased. I am not quite sure how far that statement can be justified; perhaps he has more information with him which he will be able to place before the House, but what the Honourable the Finance Member in his speech said was that in exports probably we are 20 crores more than what we had done last year. Now, what advantage have our exports brought to this country? Sterling has accumulated, the prices for commodities have not been paid . . .

The Honourable Sir Jeremy Raisman: Does the Honourable Member know of any way of selling goods without receiving money in exchange?

Sir Muhammad Yamin Khan: We want money in exchange, but there are two ways of getting the money: either you clear off your debts, as you are proposing to do, to the extent of three crores. You may purchase

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the railway lines,—you have to pay money for those lines and you have not got money. That is one way. Another way is this. Trade and commerce is being carried on in this country,—I am only talking of the importers,—their business is at a standstill,—and though you have sold the goods, your sterling is accumulated in England, because you have not got the same facilities to give to the people who are carrying on the import business. You are stopping your business even with America. Formerly motor cars used to come from there in large numbers, and you have now fixed the quota of sale of cars. Even in Delhi what they used to sell in one month, they have now to sell in one year,—that is the quota you have fixed. If fifty Ford cars used to be sold in one month in Delhi, now you have fixed a quota for the whole year. You are controlling the business in this manner. Government may buy their requirements, but that does not help the importer, and his yield is decreasing every time, because he is making payments which he used to make before, or probably he is making larger payments than he used to make before.

Then, there is a class which is dealing with the Supply Department and purchasing materials in connection with war activities, and they have made enormous profits. In fact they have made much bigger profits than in previous years, and that is why you have brought in the Excess Profits Tax,—and I think that tax is fully justified, because if a man wants to make money from the public, why should he not pay a certain portion back to the State? I quite agree to your taking 66 $\frac{2}{3}$ per cent. out of their profits, profits which they made by unjustly raising the prices. But what about your levying income-tax on the poor importer? You are painting him with the same brush which is used for the man who has made this excess profit. Similarly, you are putting a man with a fixed salary in the same category. You have fixed Rs. 40,000 as the minimum limit for payment of Excess Profits Tax.—I don't object to it,—but what justification have you to ask a man with an income of Rs. 2,000 from salary, a clerk, an assistant or any subordinate with a fixed income, to pay a higher rate of income-tax? These people have fixed incomes with no additional income of any kind and yet you have increased the surcharge in their case from 25 per cent. to 33 $\frac{1}{3}$ per cent., and this is not at all justifiable. It does not matter in the least as to what you take from people who make excess profits, but it is hardly fair and just to make people with an income of Rs. 2,000 pay more, because they have to meet additional expenditure on account of the rise in the cost of foodstuffs, clothing and so on; they have to meet the education of their children; they have to purchase their cloth at a higher rate. Instead of Rs. 160 a month which he was getting, probably Rs. 15 or 20 will have to go as extra on account of the war conditions. Now you put another Rs. 20 as surcharge over him. That really means you are taxing a man who has to live on account of the social conditions from hand to mouth, and it is not a good proposal. I do not say that one should refuse to pay on account of the war conditions, but if a tax is brought, it should be a justifiable tax in the eyes of the public, it should not involve any hardship. But, here, in this case, everybody will tell you that it was not proper that you should levy surcharge without fixing any minimum limit. If it be Rs. 10,000 or 15,000, or something like that, that would have been justifiable, and if you had brought down the limit of Rs. 40,000 in the case of the excess profits duty to Rs. 20,000, that would have brought you the

same that you would be getting from the poorer classes of people. My Honourable friend would have got from the richer class of people and they would have paid the tax without the least difficulty. My proposal is that the limit of Rs. 40,000 should be brought down to Rs. 20,000 and the minimum limit for the surcharge should have been increased to something over Rs. 10,000, or whatever he may fix, and that would give him the same sum of money without losing the balance.

As regards match duty, the Honourable Member said that he had to take into account the lowest coin which is in circulation as regards matches. On the 28th February, when he introduced the Finance Bill and announced the doubling of the excise duty on matches, the effect in New Delhi was that the price of a match box went up from 1½ pice to 4 pice. I sent my servant next morning to find out from the shopkeepers what the prices were. I wanted to ascertain how the people took it. I noted that nobody in New Delhi was willing to sell a match box for less than four pice, instead of 1½ pice which was the price formerly.

Sir Abdul Halim Ghuznavi: What is the price now?

Sir Muhammad Yamin Khan: Later on, in Delhi the price has settled down to two pice per box, that is, 25 per cent. it has gone up.

The Honourable Sir Jeremy Raisman: I will supply the Honourable Member at 1½ pice, in very large quantities.

Sir Muhammad Yamin Khan: The Finance Member can supply me by getting them from the factories. I am talking of the place from where we purchase, and from where the Honourable Member's household purchase it.

The Honourable Sir Jeremy Raisman: I get it for 1½ pice.

Sir Muhammad Yamin Khan: If my Honourable friend goes to the retail shopkeeper, he would not get it for less than two pice in Delhi. In New Delhi, of course, it is not one price everywhere, it is different in different shops.

Sir Abdul Halim Ghuznavi: The price differs according to the number of sticks the box contains.

Sir Muhammad Yamin Khan: On the 1st March people made a lot of profit on the stock which they had on that day. If the Honourable Member proposes to levy any new taxation or increase the existing taxation, before announcing it here, he should take into confidence all the Governments who can enforce under the Defence of India Act Rules control of prices. Then, the Provincial Governments will be ready next morning to enforce the prices and see that the people do not charge beyond a certain limit. If the Honourable Member had taken into his confidence the Chief Commissioner of Delhi and the other Local Governments, he would have ensured that the people holding stocks had not benefited unduly at the expense of the consumer. His tax comes to very little, probably not even one pie, per match box, but people have charged three times as much, and that should be stopped. That can only be stopped by the method I have

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suggested, that is, they must take into confidence the local administrations who are in a position to enforce the law and not allow exploitation by retail shopkeepers as opposed to the consumers.

Another tax which is not desirable is that on the tyres and tubes. It is a new industry. It has been only for the last two or three years in this country and it has been competing with big concerns in America.

The Honourable Sir Jeremy Raisman: Does the Honourable Member realise that it is the same concern—the manufacturer in India?

Sir Muhammad Yamin Khan: Not exactly the same. Here in India the Dunlop Manufacturing Company has got two-thirds Indian capital. Indians are holding shares in this concern. . . .

Sir Abdul Halim Ghuznavi: No.

Sir Muhammad Yamin Khan: While in America it may be carrying on in the same name, American firms are absolutely different.

Sir Abdul Halim Ghuznavi: No, Sir.

Sir Muhammad Yamin Khan: The plant here is not so big as to give them the same turnover in Bengal as in America. The prices in India are fixed on the basis of Indian wealth and capacity. A large number of owners of motor cars can afford to pay a little higher price, but still the prices prevailing in India are lower than those in any other country as far as tubes and tyres are concerned. You have got to take into account the wealth and capacity of the consumers. If the Honourable Member increases the duty by ten per cent., the necessary result will be that he will have to increase the import duty by ten per cent.

The Honourable Sir Jeremy Raisman: It does not follow.

Sir Muhammad Yamin Khan: I take it that it does not follow. Then it means that my Honourable friend places the Indian manufacturer at a disadvantage as compared with the conditions before. This industry which has only just come up cannot produce so many tyres and tubes, they cannot sell so many tyres and tubes as the American firms do in their own country as well as outside their country. Here we have got a small concern which cannot even supply the needs of this country. . . .

Sir Abdul Halim Ghuznavi: Who says that?

Sir Muhammad Yamin Khan: They cannot produce even for the requirements of the country up till this time. So a company and a concern which is so new ought to have been left untouched for some time. I know my Honourable friend will say that they are making money and that he is leaving them a large margin of profit even after taking ten per cent. but that ten per cent. they are not making on tyres and tubes. If the Honourable Member had taken their accounts into consideration, he would have found that they are making their profits on some other articles. But as far as the tyres and tubes are concerned, they are not making such large

profits. You may say that the same factory is making the different articles. They may be losing on one thing and profiting on the other. If the Honourable Member had said that he wants to put the tax on other goods as well, which they are making, that would have been all right but suppose the Defence Department or the Supply Department stop placing orders for other goods, then their profits will at once collapse and there will be no margin left for them to make any profit on. This is an industry which has come recently to compete with the world market. After the war you will find that German, American and British firms will be sending things at a much cheaper rate to this country. There is another side to this question too. The price of petrol has gone up very high. It stood at Rs. 1/6 in Delhi. It now stands at 1/14/6, that is more than eight annas per gallon. That means that the lorry owner who carries mostly these poorer classes of people from one place to another have to pay more for their tubes and tyres. On top of this they have to pay more for their petrol and they will not be able to compete.

An Honourable Member: Compete with whom?

Sir Muhammad Yamin Khan: With the Railways. The price of the spare parts has gone up and they cannot replace their motor parts easily and they will not be able to carry on their business properly. So you are hitting the lorry owner, who is carrying the poor people from village to village and from one small town to another, on all sides. I understand the rise in the price of petrol. During the war, it is required for war purposes. I would like to go in a *chhakra* or bullock cart, instead of using my car, if I can save the petrol for war purposes. The war needs must come first. I will have to limit my use of petrol under such circumstances and I can understand the rise in prices. The price of motor spare parts will have to go up too, because they come from countries which have not got the facilities to send them. Now, you are here raising the price of rubber tyres and tubes and that means you are making them expensive and you are not getting very much revenue. It is only 35 lakhs. If the revenue had been in crores, I would not mind.

I should have thought that the Honourable Member would have brought a tax on an article which may be in larger use and will not hit the man who is bound to use that article, but who uses it as a luxury. You cannot do without a match but you can do without smoking cigarettes. Why has not the Honourable Member put a tax on cigarettes? Why not an excise duty on cigarettes? Cigarette is a thing which everybody is not bound to use. A man may use it for the sake of his luxury. A match has to be used even by the poorest man. You cannot stop it. He has to burn his fire. Instead of putting a tax on matches and tyres and tubes, if the Honourable Member had put a tax on cigarettes, he would not have caused hardship. He may have stopped some people smoking hundred cigarettes a day. There are some people who take pride in this fact, that they light the first cigarette in the morning and they go on lighting other cigarettes from the first. They use only one match for lighting the first cigarette in the morning. Such smokers will probably have to use three or four matches in the course of the day. That will not be a hardship. The Honourable Member should realise that the cigarettes are smoked not by the poorer classes but by the people who can afford to spend money and not resort to the cheaper *hukka*.

An Honourable Member: What about *pán*?

Sir Muhammad Yamin Khan: *Pán* is an agricultural thing. It is not manufactured in a factory.

An Honourable Member: What about tobacco?

Sir Muhammad Yamin Khan: Then, Sir, I come to sugar. Last year, we warned the Honourable Member that his policy about sugar is not right. The results have proved that his policy is not right. What is the price of *gur* today? It is selling at 20 seers a rupee. Dr. Sir Ziauddin tells me that it is selling at 24 seers a rupee. Now, compare that with the prices of sugar. Refined sugar is selling at four seers a rupee. What a marvellous difference? People could not afford to give up the manufacture of *rab*. They had to give up the manufacture of raw sugar. They thought that the tax you levy would not bring the money and they ran away to manufacturing *gur*. *Gur* was manufactured in such large quantities that it is selling at 24 seers a rupee. I have never seen the prices of *gur* so low as this. If the price goes beyond ten seers, then the cultivator can get nothing out of it. He loses on what he has invested in his crops. The *gur* prices must be at eight seers or ten seers a rupee. That is the limit, and then the cultivator can grow the sugarcane crop with a little margin of profit to himself. . . .

The Honourable Sir Jeremy Raisman: How does the Central excise reduce the price of *gur*? The objection I have heard is that it increases it?
12 Noon.

Sir Muhammad Yamin Khan: The Honourable Member did not listen to me; I said the Honourable Member fixed a duty on the raw sugar and *rab* and the net result of that was that the people, instead of manufacturing the *rab* which they used to do and to refine it into raw sugar, started manufacturing *gur* in large quantities. . . .

The Honourable Sir Jeremy Raisman: I did not fix a duty on any such thing; I fixed a duty on the finished manufacture,—refined sugar.

Sir Muhammad Yamin Khan: I do not know whether the Honourable Member has seen the manufacturing processes of sugar. . . .

The Honourable Sir Jeremy Raisman: I understand the processes.

Sir Muhammad Yamin Khan: When you fix a duty on raw sugar. . .

An Honourable Member: Finished product.

Sir Muhammad Yamin Khan: . . . and that is manufactured out of *rab* not out of *gur*, you cannot manufacture sugar out of *gur*.

An Honourable Member: You can manufacture.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Member for Commerce and Labour): You can.

Sir Muhammad Yamin Khan: That is a very expensive process, but it is not done, people do not do it in practice; the sugar they manufacture is out of *rab*. The *rab* they place in a jar with a little hole at the bottom and they place it at a higher thing and all the molasses come out and the sugar remains there; therefore, that is a cottage industry; that is the only process, but if you place *gur* in *Bhelias*, in lumps, that would remain still the *gur*; so the processes must be very expensive processes, and to manufacture sugar out of *gur*, which nobody does. . . .

The Honourable Sir Jeremy Raisman: It is done on a large scale in the Punjab.

Sir Muhammad Yamin Khan: It may be in the Punjab but that is not a sugar-producing Province; the sugar-producing Provinces are only two, as the Honourable Member has rightly mentioned in his speech—the United Provinces and Bihar; and the United Provinces is now selling *gur* at a price which I want to bring to the notice of the House, *viz.*, that at prices at which the agriculturists cannot get even a single penny for his labour during the whole year; that is the condition and poverty which has come into the country in all the villages; they cannot put up their prices; a lot of people were induced to come and cultivate the sugarcane crops instead of wheat crops; people gave up their wheat-growing, they gave up growing any other commodity except sugar because it looked to be a very profitable business, and after they had gone in there, they found at the end of the year that the crops ready on their cultivation cannot bring them even the amount which they have spent; there is no question of their labour which they have expended throughout the year in the fields. The policy of the Government is responsible for bringing the poverty into the villages; I know it as a Zamindar that in the places where we used to have the cultivation of the sugarcane, we used to get all our collections made in the first month, by the beginning of February everything was paid up, and every cultivator who cultivated the sugarcane was supposed to be a rich man in the village and he paid up all his debts at once, but now he is the poorest man, you cannot get a single penny out of him because, whatever he has sold is hardly sufficient to meet the price of his seed—not manure even—and they have lived for the whole year on the debts which they got from the *Bania*, and they are indebted now; this is the policy of the Government and the Government is responsible; you have to feel the pulse of the country—not I. . . .

The Honourable Sir Jeremy Raisman: How does the Honourable Member connect that with the Central excise?

Sir Muhammad Yamin Khan: Otherwise, why did not the Honourable Member explain in his speech this point? He said in his speech that they had to give one rupee per maund as a loan to the Local Governments in order to help them to clear off their stocks. What is this due to? The House expected that the Honourable Member should have investigated what were the causes of the present state of things, of the circumstances of this kind now prevailing in the country?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: I thought that was very well-known throughout the country and to the Honourable Member in particular?

Sir Muhammad Yamin Khan: This is what I am saying, that this wrong policy of yours is responsible for this; this House told you that you are embarking on a wrong policy and the result of that policy is there, and we told you that that would bring no good to you but would bring calamity in future, and here we are; that is what I have been saying, that when the Honourable Member goes away, somebody will say, "we are not responsible—that this had been the wrong policy of the previous Finance Member.....".

The Honourable Sir Jeremy Raisman: Which policy?

Sir Muhammad Yamin Khan: For any wrong policy of his predecessor, we must hold him responsible for that; here, Sir, we find that whatever you have done, whatever you are doing.....

The Honourable Sir Jeremy Raisman: Is wrong!

Sir Muhammad Yamin Khan:is not right—you cannot justify that.....

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: What is the position of the other Provinces with regard to the production of sugar—Madras, Bombay, etc?

Sir Muhammad Yamin Khan: The Honourable Member knows more about Madras and Bombay than I can; I know nothing about them; I live in the United Provinces and I am concerned with that Province, which is the largest sugar-growing Province; and, of course, some people may have benefited in the Provinces where they grow the sugarcane in a smaller quantity.....

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: Benefited by the policy of the Honourable the Finance Member?

Sir Muhammad Yamin Khan: If five people benefit and twenty people lose, then can the Honourable Member say that it has benefited the country? If we find that a handful of people in Madras have gained by the policy of the Honourable Member but that one hundred people have lost in the United Provinces by the policy of the Honourable Member, then which is the right thing?

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar: The point is that it is not the policy of the Finance Member but some extraneous circumstances peculiar to those Provinces that has resulted in that.

Sir Muhammad Yamin Khan: The Honourable Member ought to have taken into consideration the effects of this policy upon the people who are mostly concerned with the industry and not upon the people who are remotely concerned with this particular industry or only so to a very limited extent; he should have ignored their interest but he should have taken the interests of those who are going to be greatly affected—adversely or beneficially—by the policy which he is pursuing, into special consideration. Here we have got the result which the Honourable Member himself had to admit in his speech—that the two Provinces which are the chief

sugar-growing provinces had been so adversely affected in the last year that they had to find some relief for that. Well, that is his admission, and what is it due to? That ought to have been explained fully by the Finance Member—who is consulting everybody and not only laymen like myself, interested only in a small environment; we see only the causes prevailing in the environment we are concerned with, but he has to give an explanation to this House on whatever he has gathered from the different Governments and to explain all these causes, especially when he found that this House was not supporting him in his policy within the last two or three years and had been criticising him and saying that his policy would lead to disaster in the country in this respect. That is what I mean to convey.

Now, I have made it perfectly clear that I and probably every other Member of the House will not like to say 'No' to any expenditure which is required to meet the necessities of the war. We would whole-heartedly vote for that expenditure, whatever may be its amount. What we want is that our country should be kept far away from the miseries of the war and in order to achieve that object we will be quite happy to pay even a larger amount in the shape of taxes. Thanks God we are not witnessing the agonies which are being felt by the European countries where there are raids every night and where their property and lives are being destroyed. But what we are concerned with in this country is whether the Government are discharging their duties towards the people or not? We have got our grievances against the Government and the Muslim League Party has come to the decision that the Government have not been meeting the demands of that Party. As the Government have not met their demands, they are not satisfied with the policy that has been carried on by the Government or by the people who control the policy of the Government of India. What we find now is that people who want to take full share in defending their country and who want to come out openly to extend their help are not being given proper facilities to give their co-operation. There may be some Parties who may, on account of their conscience, object to taking part in the war. I have no quarrel with them and I have nothing to say against them except this that they are most unjustifiable people and I do not agree with their principles. But there are other people who do want to help you in the successful prosecution of the war and who do want to save their country from the miseries of the war but they are not being given a chance to do so. No effort is being made to make them war-spirited and they are not in the war themselves. They are asked to give a little help only as onlookers. The Government of India may say that they have no hand in the matter, but they are the advisers and they can advise the Governor General and through him the Secretary of State that he should change his policy. Their policy ought to have been to give to the people of the country a larger share in the prosecution of the war and in the administration of their country and to shoulder the responsibility of making their country safe. This is being denied at present on account of certain conditions which have been the result of the wrong policy which they had been pursuing from the very beginning. Their policy was wrong from the very beginning and it was bound to lead to the circumstances which are now prevailing in the country. People who could foresee predicted the result of all these endeavours that had been going on in 1939 and 1940. They said that all these efforts will fizzle out and nothing will happen because of the prevailing conditions in the country. I think it is the wrong policy of Government to try to win over

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a Party which is not willing to co-operate with them. My Party cannot agree with this policy of the Government that they should go on trying to take back those who are not willing to co-operate with them and lose the co-operation of those who are ready to co-operate with them. The Congress has declared that it is not going to render any help to the Government and yet the Government is hoping that some miracle may happen when the Congress will join hands with them and then they will make Indians responsible for the administration of their country. This is a very far-fetched idea. If that is the attitude of the Government, then we on this side of the House can say that they are pursuing a wrong policy and we cannot agree to support that policy. Our attitude is that after the declaration of His Excellency the Governor General that he will take into his Executive Council those who are willing to co-operate with him, it is very impolitic not to act up to it and it is calculated to destroy the confidence of those who still have confidence in the Government and who still believe in the sincerity of Government.

There was a time when the Germans said that treaties were mere scraps of paper. It was criticised in this House and in other places that the words of the Germans should not be believed. The words of Hitler are not to be believed. Should we place our high administrators in the same category? Should we say the same thing about them? You should not behave in such a way that people will say that you have brought yourself down to the same level as the Germans. Therefore, Sir, anything which is made public on the high authority of the highest people in the country, any declaration made by the highest power in the land should be abided by and no time should be spent or wasted in looking for co-operation from people whose co-operation you will never get.

Sir, on account of this policy which I have referred to, and not on account of the merits of the Finance Bill, but on account of political reasons and on account of the Government ignoring our demands consistently and persistently and not trying to meet the wishes of the people who are ready to co-operate, on account of these reasons, the Muslim League Party has decided to oppose the consideration of this Bill by way of protest. In order to lay a definite protest on record and in order to bring to the notice of those who are still unaware of the feelings of the people and who want still to endorse the policy of the Government in trying to please those people who will never be pleased and ignoring those who are ready to give full co-operation, it has been decided, Sir, that we should oppose the consideration of this Bill and I, therefore, oppose the consideration of this Bill.

The Honourable Sir Muhammad Zafrullah Khan (Leader of the House): Do you desire your opposition to be successful?

Sir Muhammad Yamin Khan: No: we are not going to be successful. That I know.

Mr. J. Ramsay Scott (United Provinces: European): Sir, the Finance Bill is usually an opportunity to wander over a wide area and a wide range of subjects, and, Sir, I propose to do both.

Firstly, I would deal with the sugar position about which I had to say much last year. I would at the outset like to acknowledge my appreciation of all the Finance, Commerce, and Education, Health and Lands

Members and their Departments have done to examine and alleviate the position. I would also thank the Honourable the Finance Member for finding the money—a loan of one and a half crores in these hard times. But I would like to ask the Honourable the Commerce Member to take us into confidence and tell us what he is doing to help to control the industry on an all-India basis. I would like to see him call an Advisory Council, an official one of all provinces and the Indian States to see what is the maximum amount of agreement that can be obtained for the control of the industry. I feel sure that much can be done by negotiation at a conference where all have an equal say and where the United Provinces and Bihar would not have a preponderance of voting power. I would like to say, in the words of His Excellency the Viceroy, to all interested in sugar that this is no time for internal differences or disputes, but let us give our minds and hearts to be of service to the common weal.

I would now like to get on to the artificial silk yarn duty. Some few years ago we came to a general agreement on the rate of duties both revenue and protective on all textiles, piece goods and yarns, and I would point out that the Honourable the Finance Member has upset this equilibrium by an increase in the revenue duty on artificial silk yarn alone. I would like to have seen a counter-balancing duty on art. silk piece goods. It is true that an industry has grown up in this country in the weaving of imported yarns and it is both a mill and cottage industry. It has grown up under the uncertain protection of revenue duties, but I feel that these industries should be looked after and not penalised especially as there is no raw material in India itself. I hope the Honourable the Finance Member will give the matter his consideration and bring in an amendment at a later stage to put this inequality right.

I have often asked for the safeguarding of Industries Act to be put on the Statute-book and I hope the Honourable the Commerce Member will take this up, for I know from his deeds and actions he has the safeguarding of India's industries as much at heart as I and other Members of all parties of this House have.

I am very glad to see my Honourable friend, the Honourable Member for Communications come back, and I hope he has been successful in chasing his lost black sheep in the other place, namely, the Ticketless Traveller's Bill. Sir, in the spring of 1937 after a stay in the beautiful island of Corfu in the Adriatic, I took boat for Yugoslavia and called in at Santi Quaranti in Albania, a town of about 8,000 inhabitants of whom 70 per cent. are Muhammadans. All along this coast, there is only a narrow strip of shore between the blue sea and the green mountains and the minarets of two or three mosques stood out well against this background. Valona and Durazzo were next reached both of which towns have only about 10,000 inhabitants. All the three towns are on an old Roman road, the *via Aegnatia*. Two thousand years ago Durazzo was the stepping off point and this Roman road enabled Rome to conquer and colonise the near east. Of all the pomp and grandeur of Rome, she is best remembered today for her wonderful roads. In England many of our main roads today are constructed on the foundations of old Roman roads. In India the most famous builders of roads were the Moghul Emperors and some of our roads today are superimposed on those of their making. Today, however, the Moghuls are best remembered by their tombs and gardens in India and Kashmere. The point I come to and the question I am going to ask the Government is: "Are the roads in India today

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worthy of a mighty Government, a credit to the Indian States and the provinces and suitable to the needs of the mighty Indian Empire of 400 millions of inhabitants”?

Sir, on the 27th February, 1936, Mr. F. E. (Now Sir Fredrick) James moved a cut motion on behalf of the European Group on the Railway Budget for the creation of a Ministry or Department of Communications and to discuss road-rail competition and the necessity of a policy of co-ordination. Sir Frederick suggested that as a remedy to unfair competition, a proper regulation of road transport was required and that Provincial Governments should take effective measures to see that the regulations were properly carried out. Sir Frederick went on to give in detail the regulations we suggested. If I may give one or two of these suggestions, they were:

- (1) Standardisation of types of vehicles and regular inspection of buses;
- (2) Compulsory passenger and third party insurance;
- (3) Uniform driving tests, regular medical inspection;
- (4) Punishments for over-crowding and over-loading;
- (5) Limitations for hours of work;
- (6) Publication of fares and time tables.

We asked for co-ordination, that is, in the true sense of the word, equality of all systems of communications.

In his reply, Sir Muhammad Zafrullah Khan said that if Road Transport were regulated in the manner just described the railways would have no complaint that motor transport was competing with them on an unfair basis. Now, Sir, the Department of Communications has been set up and this House has passed the Motor Vehicles Act and Provincial Governments have and are taking effective steps to see that regulations are properly carried out. I, therefore, maintain that all action necessary to remove unfair competition has been taken so that the railways no longer have cause for complaint and that road and rail competition is on fair terms, and I would ask the Member for Communications to assure us that he is co-ordinating these two systems in a like manner and that he has the power to do so. The Honourable Member is, I might say, holding the babies. Road and rail transport are Siamese twins; a peculiarity of Siamese twins is that if one dies so does the other, and I might even suggest that if he gives one a dose of medicine, he should treat the other in the same way. We ask for no favouritism to either transport system, but equality of treatment. Both forms of transport are equally necessary for the development of India and they should be complementary. Sir, it is the bounden duty of the Member who has the honour to hold the portfolio to resist the pressure of the most vociferous and stronger twin, stronger only because it has a more numerous, more powerful representation at Government headquarters. I need not inform the Finance Member that although this year he has received a wonderful return from the Railway Twin, there have been years when he has received nothing, while the Road twin brings in a steady revenue year in and year out. It may not be so spectacular unless it is presented as a whole as it is made up of so many bits and pieces which enter into the life and development of the countryside and the provinces, although the proceeds mainly come to the centre. Various figures have been given me, but I believe the roads

brought to the centre Rs. 12 crores of revenue in various forms of taxation, such as excise, customs on such articles as petrol, motor cars, tyres, tubes, paints, varnishes, etc.

Now, Sir, I would like to deal with long distance traffic. We are experiencing a shortage of wagons on the Great Indian Peninsula Railway, the North-Western Railway and the East Indian Railway and there is a shortage of engine power on the Great Indian Peninsula Railway, and yet we find that there is a desire to restrict long distance traffic by road. This I consider a dog-in-the-manger policy and this is where I suggest that a properly co-ordinated policy should exist for the full utilisation to the best possible advantage of both systems of transport for the full development of India's resources and for bringing her produce to the markets of India and to the markets of the Empire

I would like to draw the Honourable Member's attention to the change of policy in the United Kingdom since the outbreak of war. The Regional Transport Commissioners have issued the following communiqué:

"It has been decided by the Minister of Transport as a matter of policy that there should be a diversion of suitable traffic to road, canal transport or coastal shipping in order to relieve this congestion.

The Railway Executive Committee have, therefore, instructed their railway representatives to impose restrictions on certain traffic which will now have to be carried by road.

As a result of these instructions, applications will doubtless be made to sub-district managers for additional supplementary grants of fuel. In such cases, when a sub-district manager is satisfied either that a restriction has been imposed by the railways or that there is likely to be undue delay or difficulty in the carriage of essential goods by rail, the application for supplementary fuel should be granted.

I appreciate that these instructions which have been received appear to be a complete change from the policy which has hitherto been adopted, and that the change will probably lead to a large increase in the amount of supplementary fuel which may have to be supplied, in-as-much as long-distance haulage by road may now have to be allowed to a far greater extent than before. I appreciate also that this change may cut across the structure which has been built up by sub-district managers for dealing with applications for supplementary fuel. I feel sure, however, that all sub-district managers will understand the circumstances which give rise to this change of policy, and will readily agree that the policy of our war organisation must be sufficiently fluid to be adapted to the changing circumstances."

Here the communiqué ends. This policy should be borne in mind by the Communications Department, and although such a necessity may not as yet have arisen, it may do so in the near future and I would not like to see anything done now which will circumscribe Road Transport facilities and long distance traffic and I would here again repeat the words that I said on the sugar appeal:

"Let us frankly recognise that this is no time for internal difference or dispute; let us rather put away these things and give our minds and hearts to the service of the common weal."

Sir, I have many other grievances, some large and some small; but I have not the time, nor do I consider it the proper opportunity and place to ventilate them here, for I feel sure that if I get a reply from the Honourable Member as to the general policy of his Department no doubt many of these grievances will be put right or disappear. Another opportunity to go into the matter in more detail perhaps, with the Provinces, might be at an Advisory Transport Council meeting.

Before leaving this subject, I would like to stress the need for co-operation with the Provinces and States to obtain an agreement on the

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standard of maintenance for the upkeep of our main roads. The Central Government will no doubt realise that unless roads are properly maintained, new road building programmes will have to include large reconstruction schemes. As an example, I will quote my own province where in a scheme costing Rs. 125 lakhs, the plan covered 1,128 miles of roads no less than 992 miles had to be reconstructed and only 185 miles were really new roads. We have 8,500 miles of metalled roads in the Province and another 1,500 miles now require reconstruction and before that programme can be finished the remaining 1,000 miles also will require reconstructing. I would, therefore, ask Government to get reports of the position from each Province and would say that I consider the question of the utmost and immediate importance, for we may be faced with the position that our war effort is paralysed by a breakdown or interruption of our slender railway communications.

In finishing, I would ask the Honourable Member if he can give me an undertaking that road maintenance and new road construction programmes will be discussed at the next meeting of the Transport Advisory Council.

The Honourable Sir Andrew Clow (Member for Railways and Communications): Sir, Mr. Ramsay Scott said a good deal about babies in his speech. He seems to be inclined to leave one or two at my doorstep. He asked for an assurance that I was co-ordinating the road and rail system, and that I had the power to do so. Well, I should have thought the House was aware of the answer—that I have not the power to do so.

An Honourable Member: Take it.

The Honourable Sir Andrew Clow: Owing to the constitutional position there is no authority that has co-ordinating control over road and rail. The Motor Vehicles Act as introduced might have gone a considerable distance in that direction, but the House will remember it was modified considerably in the Assembly and has left the Central Government with very little power in that respect. For example, whereas, formerly, the Railways were represented in some authorities controlling transport, they are now not represented there at all. The only thing that the Member in charge of the Railways can do is to encourage application for the restriction of long distance transport.

Mr. Ramsay Scott alluded to long distance traffic and noted, I think with regret, the appearance of a desire to restrict long distance traffic. That desire appeared and was voiced in this Assembly two or three years ago, and is embodied in the Act itself. He alluded to the fact, which is a fact, that at present our traffic is at levels which we find difficult to carry in some parts of the country, particularly on the Great Indian Peninsula. That is a relevant consideration, and I am quite sure that if that condition should in time become permanent, not only would no Provincial Government look at an application for any restriction on the road traffic, but it would be merely futile on our part to consider putting one forward. We have not as yet shown any very keen desire to do so. We have not made a single application to any Provincial Government under that section, and I can assure the Honourable Member that before we do so, we

shall certainly take into consideration the point which he mentioned. We should not seek to play a dog-in-the-manger policy or ask for more than we can carry efficiently in the public interest. I recognise in this respect that the advent of the war has changed circumstances, and that if the present conditions continue, we may find that both those road carriers and the Railways have as much as they can manage.

Then Mr. Ramsay Scott alluded to certain Siamese twins. I have always understood that one of the characteristics of Siamese twins is that one impedes the locomotion of the other, and that they have common parents. That is not the case here. The responsibility for roads is vested almost entirely in Provincial Governments. There are three methods by which we can help, or hinder as some might say. We have the Road Fund over which this House maintains control. We have this power given to us to send in applications under section 43, which we are not using at the moment, and we have finally what I think may prove a more fruitful course, the method of co-operation, which Mr. Ramsay Scott has suggested. We have recently been making an experiment in co-operation on the North Western Railway by co-operating in road traffic companies to provide an efficient road service in which we are interested and which our Railways are adjusted to suit, and that is a hopeful line for the future. It is a line which, if pursued, might enable both the Railways and the Roads to eliminate the most dangerous form of competition,—that type of competition which means cutting down fares and rates to a level which for the road user at least involves serious danger. I do not think that the analogy cited from England was very relevant at present, because the conditions on our Railways are not the same as those on the Railways in England where the enemy is constantly trying to interfere. But I would repeat that we recognise that the war is bringing new problems for us both, and it is far from the desire of the Government of India to curtail any reasonable facilities for the public either on the roads or on the rails.

Mr. Ramsay Scott alluded in conclusion to the question of road maintenance. That is not a subject for which I can accept responsibility. The Road Fund was intended primarily for new development, and we have tried our very best to limit the grants to new works. We have perhaps in moments of weakness and during the stress of the financial blizzard of some years ago given small doles to assist provinces for maintenance, but I am not sure myself that that is a sound policy. We hope to discuss the whole question before the Transport Advisory Council, and we shall seek the co-operation of the Standing Committee of this House for Roads in trying to arrive at some settled policy in the matter.

Dr. Sir Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): May I suggest, Sir, that the Government Members may speak at a later stage of the debate, because other Members also would like to speak on the subject of Roads and Communications, and they will not have any chance of knowing the Government's point of view.

The Honourable Sir Andrew Clow: I understood, Sir, that you preferred that Government Members should speak throughout the debate . . .

Mr. President (The Honourable Sir Abdur Rahim): Yes that has been the practice.

Sir F. E. James (Madras: European): May I ask one question, Sir? There was recently circulated to Provincial Governments a memorandum with the signature of Mr. Mitchell. There has been some misapprehension as to the authority behind that memorandum—whether in fact it expresses the view of the Government of India or the view of Mr. Mitchell himself. I wonder if the Honourable Member is in a position to make a statement about that.

The Honourable Sir Andrew Clow: It represented initially Mr. Mitchell's views, but certain comments on it appeared publicly which I can only describe in my own view as misleading, and I have in reply to a representation made to me by the Indian Roads and Transport Development Association, Bombay, indicated that my own views coincide with Mr. Mitchell's.

Sir Abdul Halim Ghuznavi: Sir, we Indian businessmen do not object to raising funds for conducting the defence of the country, but we object to the methods which are adopted in raising them. Sir, this year we are having a Defence Budget for 84 crores, and we have to make up our mind in voting this amount based on the information or material placed before us in this 7-page pamphlet. What does it contain? Nothing whatsoever, except bald figures. There is no explanation given there, no explanatory note is attached to this memorandum to enable us to come to a conclusion whether these 84 crores are legitimately required for the conduct of defence or not. Sir, you will remember that when you were the Leader of the Independent Party, what a huge explanatory pamphlet we used to get in respect of the defence expenditure.

The Honourable Sir Jeremy Raisman: Is the Honourable Member aware that Parliament voted £3,000 millions on less than five
1 P.M. pages?

Sir Abdul Halim Ghuznavi: Is the Honourable Member aware that the Member in charge of Finance in Britain is responsible to the Parliament, and here my Honourable friend is not responsible to this House. That is the difference. If the Honourable Member were responsible to this House, I would accept a five-page memorandum of unexplained figures. But when he is not, he must give me sufficient material to come to a conclusion whether these Rs. 84 crores are really required. That is the difficulty. The Honourable the Finance Member is not responsible. If a popular Minister had been here, most of our difficulties would have disappeared. Though my Honourable friend laughs, I will come to that point later on, and show that that would not be so with a popular ministry.

Sir, the war is going on, and as far as I can see, it won't be a short war. If that be so, this Rs. 84 crores which is required this year may be doubled next year. Then what would be the position? We, therefore, want an assurance, firstly, that the Government would enter into only such commitments as are justifiable from the Indian point of view and for Indian defence, secondly, to take the Indian public into their confidence regarding the manner in which the total expenditure on defence is proportionately shared between the Government of India on the one hand and His Majesty's Government on the other, and thirdly, to satisfy the Indian public opinion that the expenditure debited to India is incurred primarily to

safeguard India's interests. These three assurances we want, and then we want that the Finance Member should bear in mind that at any rate the non-recurring part of the defence expenditure should to a reasonable extent be met by borrowing rather than by imposing any further burdens on the already heavily taxed industry and trade of this country.

Dr. Sir Ziauddin Ahmad: What is the non-recurring part?

Sir Abdul Halim Ghuznavi: I am sorry that I was not present when my Honourable friend, Mr. Chapman-Mortimer, spoke on the budget the other day. I do not remember whether my Honourable friend was present last year when the first Excess Profits Tax Bill was introduced.

Mr. T. Chapman-Mortimer (Bengal: European): Yes.

Sir Abdul Halim Ghuznavi: Very well, then he has not followed what I said on the floor of this House. My Honourable friend is stated to have said, I find from the newspapers, that the capitalists were making substantial profits, that at the end of the war they might not make any profits at all or might make very serious losses. Therefore, he said it is the right time now to fleece them. That is his first proposal. As regards the suggestion that the deficit should be met by loans, Mr. Chapman-Mortimer is reported to have said that that would merely postpone the evil day, that it would help the rich now and make the masses, the poor pay interest on the loans ultimately. His colossal ignorance is responsible for the statement which he has made.

The Honourable Sir Jeremy Raisman: What is wrong with it? Please explain.

Sir Abdul Halim Ghuznavi: I shall show what is wrong with my Honourable friend and what is not wrong with Sir William Meyer when he introduced his budget in 1915. Why should I not follow Sir William Meyer, and why should I follow the Finance Member now? Sir William Meyer had given his reasons for preferring loan to taxation and I want my Honourable friend to follow Sir William Meyer. In introducing his war budget in 1915, he dealt with the difficulties which he experienced after the scare caused by Emden in Madras waters and said that there was a tremendous withdrawal of postal deposits, and demand for payment against currency notes for which money had to be found. This added to the troubles he already had to find money for the defence. Such troubles do not exist now. My Honourable friend has not to find money for the currency notes that Sir William Meyer had to, nor for the withdrawal of the postal deposits from one end of India to the other. My Honourable friend has not to find the money which Sir William had to find not for war purposes, but to assist those who were then in trouble, for which I refer my Honourable friend to his speech. And what did he say? In those circumstances in which my Honourable friend is not situated today, he did not resort to extra taxation, because he said it was not a sound policy and he had given his complete reasons for that.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can stop now. The Chair has got to announce changes in the

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dates of nomination for the election of the Standing Committee. The Chair read out to the House this morning that the nominations will be received up to 12 Noon on Friday, the 14th March. Instead of that, nominations will be received up to 12 Noon on Saturday, the 15th March, and the election, if necessary, will be held on Tuesday, the 18th March, and not Monday the 17th March.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): May I make a submission to the Chair? Last evening an announcement was made changing the dates of the sittings of this Assembly this week end. Originally 12th and 13th March were free days and there were no sittings of the Assembly on those days. Yesterday it was changed. 13th has been fixed for a sitting and 14th has been made a holiday and 15th is an Assembly sitting day. My point is that the 13th March which has now been fixed as a meeting day is a very important day from the point of view of Hindus. It is a full moon day and a lunar eclipse day.

Mr. President (The Honourable Sir Abdur Rahim): Which is the day observed in Delhi according to the Chief Commissioner's announcement? The Chair understands it is the 14th, and not the 13th.

Pandit Lakshmi Kanta Maitra: Hindus from all parts of India observe the 13th as an all-important day. It is the full moon day and lunar eclipse day.

Mr. President (The Honourable Sir Abdur Rahim): The Chair takes it, the Chief Commissioner consults the leaders of the Hindus in fixing these dates?

The Honourable Sir Muhammad Zafrullah Khan: The Chief Commissioner says that he has been pressed by the Leaders of the Hindu community in Delhi to observe the 14th as a closed holiday, and they were supported and fortified by all the astrologers who were consulted—who said that the 14th was the proper day. That was why 14th was declared a holiday, and the 13th made a working day.

Pandit Lakshmi Kanta Maitra: I do not know which particular kind of astrologers were consulted. Any ordinary calendar which guides the day to day observance of the Hindus will tell you that the lunar eclipse is on the 13th, and not the 14th. Whether a communication from the Chief Commissioner or the Home Department can change an eclipse, I cannot say. We will see it later on. We have to be guided by the calendars that are in vogue in this country, and all calendars without exception—I mean Hindu calendars—lay down that the 13th is the lunar eclipse day, and it is the full moon day, and for the Hindus that is the most important day. What I suggest is that the 13th may be cancelled and there should be a sitting on the 14th. The original arrangement was quite all right and should not have been disturbed.

Mr. President (The Honourable Sir Abdur Rahim): Then, there should be no meeting on the 13th. What about the 14th?

Pandit Lakshmi Kanta Maitra: I am only concerned with the 13th. I am not pressing for the 14th.

Mr. President (The Honourable Sir Abdur Rahim): As the House knows, the practice has always been for the Assembly to observe the holidays which are fixed locally by the Chief Commissioner for the Delhi Province, and that practice has been consistently followed, but in this case, if the House generally agrees, including, of course, the Government Benches, the Chair is willing, in the circumstances, to accept the suggestion that has been made by Pandit Maitra, but if there is no general agreement, the Chair must follow the usual practice.

The Honourable Sir Muhammad Zafrullah Khan: Do I understand that we should not sit on the 12th and 13th, but sit on the 14th?

Dr. Sir Ziauddin Ahmad: The old arrangement should continue.

Mr. President (The Honourable Sir Abdur Rahim): The Chair does not know if that will suit the Members generally, including the Government Benches.

The Honourable Sir Muhammad Zafrullah Khan: The 14th has been declared a closed holiday in the office of the Assembly and in other offices. On behalf of Government, I have no objection to reverting to the original arrangement, provided the House realises that it will be sitting on a closed holiday.

Mr. President (The Honourable Sir Abdur Rahim): If that will suit the House generally, 13th will be a holiday, and the House will sit on the 14th.

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

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Sir Abdul Halim Gauznavi: Continuing my speech. I will now refer to the speech which Sir William Meyer made in 1915 in connection with the then War Budget. He said:

"The first method of adding to our resources which would naturally suggest itself—one indeed which we have very seriously considered—is to follow the lead of the mother country."

The mother country did raise the money by taxation, and he said that it was natural that we had to consider whether we should also follow the lead of the mother country. But he said:

"Those who have followed my remarks on the revenue position will, however, already have had their anxiety relieved. We do not propose on this occasion to raise any money by increased taxation. We should not hesitate to do so to meet the deficiency in the revenue which promises to be of a more or less abiding character."

That is the point that I want to raise here. If the money that is required now for conducting the war, if it was of an abiding character, that is of a permanent character, which it is not—he made that distinction—it would be proper to raise the money by taxation, if the revenue deficit is of an abiding or permanent character. Now, if the war ends tomorrow, you don't want the money that you want now?

The Honourable Sir Jeremy Raisman: How do you know?

Sir Abdul Halim Ghuznavi: My Honourable friend says, "How do I know". If you want this money to conduct the war, and if the war ends tomorrow, then you will not require that money to conduct the war; but if you are taking that money on the pretext of this war but for other purposes, then of course, the conclusion will be otherwise.

Dr. Sir Ziauddin Ahmad: The major premiss may be wrong, but the logic is correct.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): They will give you a rebate.

Sir Abdul Halim Ghuznavi: Sir William Meyer explained to the Council with reference to the war which was on that "the present circumstances were altogether peculiar," and he said, "we have come to this conclusion that we ought not to add to the existing taxation unless it is absolutely necessary". He further said, "we hold that this necessity has not arisen, since the deficit of the current and the coming year are, as already stated, entirely the product of special and temporary circumstances . . ."

The Honourable Sir Jeremy Raisman: Does the Honourable Member know the amount of the deficit that was being discussed—it was two crores?

Sir Abdul Halim Ghuznavi: But you taxed us for three crores, and the Honourable Member in charge who was then presenting his Budget was wanting two crores; you wanted taxation straightaway for a matter of three crores but he did not do that for the sake of two crores, and he continuously, right up to the end of the war, financed that by loan; that is my point; the reason was that it was not a deficit of an abiding or permanent character, and he says, "it was not entirely the product of an abiding or permanent character but of special and temporary circumstances." Supposing tomorrow the war comes to an end; by that time you would have fleeced the industries to the vanishing point. Why not meet the deficit by a loan? Then my Honourable friend, Mr. Chapman-Mortimer, who is still having his luncheon . . .

The Honourable Sir Jeremy Raisman: Loss of appetite.

Sir Abdul Halim Ghuznavi: . . . says, "why postpone the evil day by borrowing?" Sir, we are not postponing the evil day by borrowing; we are only spreading that amount over a number of years, and also we make the next generation to share this burden, as the defence of India is not only for us but also for the future generation who also wants India to be defended.

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): You want to extend the chain of slavery to your successors?

Sir Abdul Halim Ghuznavi: This is not a chain of slavery; this is the amount that is necessary for the defence of the country, and my Honourable friend, Sir Muhammad Yamin Khan, has said that on behalf of your

Party. We provide for the interest, we provide the sinking fund for the ultimate repayment of that loan, it does not come from the pocket of the poor, as Mr. Chapman-Mortimer said it did. It comes from the pocket of the rich.

The Honourable Sir Jeremy Raisman: Oh!

Sir Abdul Halim Ghuznavi: My Honourable friend says, "Oh?"

The Honourable Sir Jeremy Raisman: I can't say less.

Sir Abdul Halim Ghuznavi: Who pays the greater tax? The rich man.

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division: Non-Muhammadian Rural): The poor; where do the rich man get his money from?

Sir Abdul Halim Ghuznavi: Let us then all go to Russia! Next year, my friend may come with a demand for 160 crores for the war,—the war is spreading—how is he going to meet that? He has taxed us to the utmost capacity, but he would not say, "no, I have not"; every time he points out, "look at what England is paying. Cent per cent excess profits tax." What is the use of telling us that every day? Look at the English industries which are centuries old and are well established. They can afford to pay not only 100 per cent. whereas we cannot. They can afford to pay everything but we cannot. Even in Great Britain, where most of the industries have a standing of almost a century, the financial press is unanimous in urging upon the Government to modify their excess profits tax with a view to enable the British industries to build up strong reserves. In England they are saying that either you enable the businesses to build up these reserves to meet the difficulties of the post-war slump or you provide for the higher cost of replacement of their equipment in the post-war years. Contrast that with India. Indian industries are not well organised. That is an admitted fact. My Honourable friend will not deny it. Indian industries hardly possess adequate reserves even for peace times. In the United Kingdom His Majesty's Government are making plans ahead for the new industries which started during the war. They are trying to bring about an easy transfer of the industries from the war-time occupation to a peace-time occupation, or, in the alternative, they are allowing special rates of profits to the industries in question with a view to enable them to meet the difficulties of the post-war slump. What is being done in India for the industries that are being started? Has any plan been made by the Government so that after the war they will be transferred from wartime occupation to peace time occupation? Has any announcement been made by the Government of India of their plan to meet postwar slump? Members know what happened in 1918. Every business collapsed and all the industries that had been started had short shrift. Most of them went into liquidation. Just see the Capital of 1917 and see the number of industries that were started during the war, and compare it with the Capital of 1920. All the industries that were started then vanished away. What are they doing now? The same fate awaits them after the end of this war.

Mr. T. Chapman-Mortimer: No.

Sir Abdul Halim Ghuznavi: Do you dispute that there will be no slump after the war?

Mr. T. Chapman-Mortimer: No.

Sir Abdul Halim Ghuznavi: You do not dispute that. Then, what will happen to these industries? By means of the excess profits tax you have taken the maximum amount they could keep for themselves as a reserve. After the slump, how are they going to live? There is another aspect of this excess profits tax. As my Honourable friend, Sir Muhammad Yamin Khan, said, there is a surcharge on the income-tax. This is a very short-sighted policy. Do you know what it will mean? This increase would seriously prejudice the prospect of Indian commercial interests. That is apparent. The commercial interests are unable to bear the extra taxation. Such an increase will hamper efficiency. That is another difficulty in the development of the industries and it will prevent the building up of strong reserves necessary to meet the post-war slump and provide higher cost of replacement. It is admitted that the displacement will be of a higher cost than the existing prices. Where are you going to find the money from to replace the machinery after the war? Therefore, I will conclude this portion of my speech by saying that in the opinion of the Indian business community there is a danger in this excessive taxation. They apprehend that if this policy continues, industries will be ruined. The new industries will not be developed and the existing industries will not be able to stand the stock of the slump that will surely come after the war.

Now, Sir, my Honourable friend has raised the duty on artificial silk yarn from three annas to five annas per pound. The commercial business men do not oppose it, if you want it, for the purpose of revenue. If you want that amount, have it by all means. But at the same time bear in mind the fact that there is an artificial silk fabric which is imported into this country. Raise the duty on that as well, otherwise the Indian industry will collapse. I have had some telegrams and letters from the Association which deals in these artificial silks. The telegram says:

"Silk and Artisilk Association further submits that additional import duty on imported rayon piecegoods uncontrolled by quota is nothing but bare justice demanded by nascent industry. Small revenue gain should not strangle the industry, otherwise hope of industrialisation is a misnomer."

Then, they fully explained the matter in their letter.

"Further to my letter of the 5th March, 1941, I beg to invite your attention to the proviso in the British Finance Act of 1932 reiterated on page 365 of the Law Reports, 1932, the Public General Acts."

They quote this provision which appears there:

"Provided that the Committee shall not submit, and the Treasury shall not approve, any such scheme, unless satisfied that, having regard to all the circumstances including the interest of any producers in the United Kingdom of material of the kind specified in the scheme, it is in the national interest that drawback should be allowed as provided by the scheme."

They go on to say:

"Terein you will be pleased to find that in all national economic considerations, however, urgent and exigent may be the needs of revenue of the State, the producers'

interest as also the general economic benefit of the country cannot be overlooked by the State. Economic defence should always precede military defence to create a pool to provide the sinews of war for the latter."

My point is this. There is no objection to the raising of the duty on artificial silk yarns. In order to protect the Indian industry, you must raise similar duty on imported artificial silk fabrics.

Dr. Sir Ziauddin Ahmad: What about cottage industries?

Sir Abdul Halim Ghuznavi: I am talking about artificial silk industry.

Dr. Sir Ziauddin Ahmad: It is the raw material for cottage industries.

Sir Abdul Halim Ghuznavi: That he has already raised.

Dr. Sir Ziauddin Ahmad: But not on import duty.

Sir Abdul Halim Ghuznavi: The cottage industry is to buy this imported yarn to make artificial silk fabrics.

Now, Sir, the Honourable the Finance Member referred to merchant shipping in his speech. When was that ship-building started and where? I know of one instance in which an Indian company wanted to have ship-building in Calcutta, but such is the constitution of the Calcutta Port Trust that out of nineteen members, 15 are Europeans and they objected to ship-building being carried on in Calcutta.

Mr. T. Chapman-Mortimer: Not on this ground.

Sir Abdul Halim Ghuznavi: My Honourable friend says, not on this ground. The only ground is that the fifteen Europeans decided that an Indian Company should not be allowed to have ship-building yard in Calcutta. Whatever the ground, the fact is they disallowed this proposal and the Chairman also concurred with them. Therefore, the ship-building industry had to go to the neighbouring Province of Madras and it had to be started in Vizagapatam.

Mr. T. Chapman-Mortimer: So much the better for the Indian company.

Sir Abdul Halim Ghuznavi: So much the better according to my Honourable friend, but according to us, we in Bengal would have been benefited by such a big industry in Bengal, for not having which my Honourable friends are responsible. It has gone to another province. Calcutta would have been the richer if that industry had been started in Bengal. Thousands of unemployed young men would have been absorbed in this industry. But thanks to our friends of the European community, they would not have this ship-building yard in Calcutta, and so the Indian company had to go to another province to do it.

Sir, there is a very amusing article in the *Amrita Basar Patrika* of which, with your permission, I should like to read just a few lines. The heading is "Which Ship-building":

"There is, we understand, in the elaborate and expensive organization of the Supply Department an officer described as a 'Deputy Director of Ship-building in the Directorate General of Munitions Production' at Esplanade, Calcutta. And we

understand he is not an Indian. We do not know whether there is any Director above him or only the Deputy deputies in directing ship-building in this country. But what we wonder is where and what is the ship-building he directs. The post reminds us very much of the Swiss Minister of the Navy."

—This refers to the story which I shall narrate. When before the war a German taunted a Swiss for having a Minister of Navy, the Swiss retorted, "after all, there is still a Minister of Justice in the Reich!"—

"We are aware. . . . that ships of the so-called Indian Navy are built in the United Kingdom and even in Australia and even in tiny Hong-Kong."

They are not built in India. But the Government of India consider that the surest safeguard against precipitate action is complete inaction. When Pandit Hirday Nath Kunzru brought forward a Resolution in the Council of State about the construction of aircraft:

"the invariable reply that we receive from the Government whenever we ask for action is that inaction is the better policy, because it allows the thing to be done quickly."

The Honourable Sir Jeremy Raisman: Will the Honourable Member indicate where he is quoting his speech from?

Sir Abdul Halim Ghuznavi: I am quoting from the speeches made in the Council of State and reproduced in the *Amrita Basar Patrika*.

Dr. Sir Ziauddin Ahmad: Is that the continuation of your story?

Sir Abdul Halim Ghuznavi: Now, Sir, my Honourable friend, the Finance Member, told us in his speech about the aircraft factory in India and that we shall have one aeroplane in 1941. At least one aeroplane in 1941. This is what he said, the other day.

The Honourable Sir Jeremy Raisman: No, Sir. I did not say so, the other day.

Sir Abdul Halim Ghuznavi: I will read what you exactly said the other day, and then you will see whether I am wrong.

The Honourable Sir Jeremy Raisman: If the Honourable Member did not quote so much, he would not be liable to go wrong so often.

Sir Abdul Halim Ghuznavi: I am now reading from the Honourable the Finance Member's speech. If I am always wrong, then let me be right by reading his speech, and then I will not be wrong.

"The scheme for establishing aeroplane manufacture in India has reached a new stage, and there is now little doubt that the year 1941 will witness the appearance of the first aeroplanes to be produced in India."

For the delay in establishing the factory I do not blame the Government of India. A factory of that kind cannot be started in any country unless the Government places a certain number of orders. Here the then Commander-in-Chief would not look at the offer. For three years, to my knowledge, Mr. Walchand Hirachand continuously persisted in begging Government to order at least 50 aeroplanes in a year and he would start a factory. That was long before the war, but it was

completely turned down. Now, when it is found to be absolutely necessary, they have got the necessary permission. And when I said in my speech in the Budget debate that sympathy and support was all that is needed and not the money, my Honourable friend, the Finance Member, said that sympathy would not make aeroplanes. I still say that all we wanted was your support and your order to start with and not your money. Place that order with sympathy

The Honourable Sir Jeremy Raisman: Without money?

Sir Abdul Halim Ghuznavi: I said money was not needed for the capital to start it with. Government say that they have paid in advance and that is the great support they have given to the industry. But that support was not needed. Mr. Walchand Hirachand had the requisite capital; he wanted your order which had been refused for the past three years, and now the Government gave him money in advance for the orders they placed.

The Honourable Sir Jeremy Raisman: The money can be returned if not needed.

Sir Abdul Halim Ghuznavi: That is their sympathy.

The Honourable Sir Jeremy Raisman: Sir, I should like to know exactly what the Honourable Member is saying. He said he did not want money; he wanted sympathy. On its being pointed out that along with the order he obtained the money he now says that the suggestion that the money should be returned shows lack of sympathy. What does he mean?

Sir Abdul Halim Ghuznavi: My friend knows what I mean and what I meant. Still it is difficult to convince one who will not be convinced. What I have been saying all the time was that so far as the capital was concerned it was there. But every new business turning out specialised things such as aircraft must be assured of support from prospective buyers, who in this case were the Government. But far from encouraging Mr. Walchand Hirachand with promise of orders, the Military Department refused to place any order or have anything to do with it. That was the attitude I was complaining of. For want of it—this active sympathy,—the factory could not be started three years ago.

Sir, about the doubling of the duty on matches with regard to which my friend, Sir Yamin Khan, said he had to buy a box of matches for one anna, he did not mention how many sticks the box contained. The price of a match box varies according to the number of sticks contained in it. I may say that when this duty was first imposed in 1934 by Sir George Schuster, the then Finance Member, I was on the Select Committee. He wanted to impose this double duty then and there. On examining the books of the Western India Match Manufacturing Company, we found that even with the double duty they could sell these matches at the price fixed by Sir George Schuster. But they then appealed to him to postpone doubling that duty for two years.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Is that on record?

Sir Abdul Halim Ghuznavi: Yes, in this sense that Sir George Schuster said so on the floor of this House: "I have put this duty now, but my successor will have to double it."

An Honourable Member: And no rise in prices?

Sir Abdul Halim Ghuznavi: No, because they were making huge profits, and only the margin of profit would be reduced. My point is that the present Finance Member has done exactly what his predecessor wanted to do then. So there will be no grievance so far as the companies are concerned except that they can say now that the price of articles required for the making of matches has gone up. Otherwise, as the Finance Member said, the price has not risen as my friend, Sir Yamin Khan, said, and a box of matches is still available for a pice and a half.

Sir, so far as the economic resources and industrial development of the country are concerned, defence expenditure in India has not reacted as favourably, as in the Dominions, not only because the difference in the constitutional position *vis-a-vis* the United Kingdom but also the absence of a long-range comprehensive and positive industrial policy on the part of Government, specially in regard to the vital and key industries.

I will now come to a very important matter, the revision of the Port Trust Act of Calcutta. It is a very serious matter. (Interruption.) My point is that the Government should undertake to amend that hundred year old Act—half a century at any rate. What is the position in Calcutta? I will only discuss the Port of Calcutta, although my submission will be the same as regards the Port Acts of Karachi, Bombay and Chittagong—Madras has already been undertaken. In Calcutta, there are 19 Port Commissioners. 15 of them are Europeans and four Indians, elected to represent industry. The position in Calcutta is this: Of 19 Port Commissioners, 13 are Europeans and four are Indians; and one Indian happens to be the General Manager of the Eastern Bengal Railway

The Honourable Sir Jeremy Raisman: What about the others, the Europeans who happen to hold similar posts? They might equally be held by Indians.

Dr. P. N. Banerjee: They are always held by Europeans and will continue to be held by Europeans.

Sir Abdul Halim Ghuznavi: I said that there were five Indians. Let us take it as six. These 14 will become 13—I give you that benefit. But that does not affect the strength of my argument.

The Honourable Sir Jeremy Raisman: How many are *ex-officio*?

Sir Abdul Halim Ghuznavi: I shall give the details. I have given the figures before. Out of the 19 members, six are Europeans of the Bengal Chamber of Commerce, four are from the Indian Chambers and nine are *ex-officio* Europeans,—*minus* the Eastern Bengal Railway Manager it comes to eight.

Dr. P. N. Banerjee: I introduced a Bill in the Bengal Council and then these Port Trusts were removed to the Central Legislature from the Bengal Council!

Sir Abdul Halim Ghuznavi: The total value of the import and export trade passing through Calcutta is about 130 crores. Of this figure, 38 crores are handled by the Indian Chamber of Commerce, 26 are handled by the Muslim Chamber of Commerce. But you have to bear in mind one other thing

An Honourable Member: What about the rest?

Sir Abdul Halim Ghuznavi: The rest also belongs to us, as I shall show. And even then you are not entitled to the number six. The position is this: I am an importer—an Indian. According to customs figures, they appear in the name of an Indian merchant or a Muslim merchant as the case may be. But the balance is not in the name of the Indian, though three-fourths of it, if not the whole, is really Indian, but it appears in the name of a European—I will explain how. Ralli Brothers is an importer—we Muslims are largely importers

Maulana Zafar Ali Khan: He exports the bones of India.

Sir Abdul Halim Ghuznavi: Take Anderson and Wright: they are all European firms. I will take, say, Ralli Brothers as an instance. I tell them I want one crore of rupees worth of piece-goods. Lancashire merchants will not deal with me direct. That is the position of India. Ralli Brothers charge one per cent. commission to these merchants in Lancashire, and all the goods intended for me or the Indian merchants are registered in the customs in the name of Ralli Brothers who deals not even with one piece of the piece goods he imports: it is all imported on behalf of Indians—Muslims and Hindu merchants, but the customs records show Ralli Brothers as importers of those goods. Ralli Brothers never touch a single piece. The moment the goods arrive the necessary Bill of Lading is transferred to me on payment, and I clear the whole thing on my account; but the register will indicate it is Ralli Brothers. My figures could be swollen but the difficulty is that the names of these European merchants appear in the customs office as importers though they do not deal in it and they have imported on my account. I am the actual importer and they simply pass it on. Therefore, my submission is this, that these Ports Acts which are half a century old should be revised.

Then, Sir, may I remind my friends on my right that throughout the Round Table Conferences and Joint Select Committees they were insisting on safeguarding their interests, and they were protesting against any kind of discrimination against themselves? May I point out to them here in connection with the Port Trust of Calcutta that out of 19 members on it, four are Indians, and the rest are Europeans. What is this except discrimination? You want that you should not be discriminated against, whereas this is a clear case of discrimination so far as Government are concerned. Sir, I suggest that that Act should be knocked on the head, and the sooner it is done away with, the better.

Sir Syed Raza Ali (Cities of the United Provinces: Muhammadan Urban): Bring in an amending Bill.

Dr. P. N. Banerjee: Not in this House.

Sir Abdul Halim Ghuznavi: Perfectly right.

Then, Sir, the Railways have granted dearness allowance to their inferior servants. The Government of India also should grant similar allowances to their servants. Why should dearness allowance be granted only to railway servants? If they are entitled to dearness allowance, why not grant

Sir F. E. James: to M. L. A's. (Laughter).

Sir Abdu' Halim Ghuznavi: Not to M.L.A's., but to poorer servants of the Government of India. The Provinces are giving dearness allowance to their inferior servants, and so why should not the postal peons and other Post Office employees be given the same kind of dearness allowance

Dr. P. N. Banerjee: They will be given.

Sir Abdul Halim Ghuznavi: But have they provided for it?

Some Honourable Members: Yes.

Sir Abdul Halim Ghuznavi: If that is so, then I have nothing to say.

Then, Sir, I come next to the problem of unexportable surplus.

The Honourable Sir Jeremy Raisman: What about the unexportable deficit?

Sir Abdul Halim Ghuznavi: Sir, the policy which I want the Government of India to adopt, a policy which has been adopted in the countries of North and South America, where British finances have been employed in Government purchases, is emphasised in the address of Mr. M. A. Ispahani the retiring President of the Muslim Chamber of Commerce on the 28th February last. This is what he said:

"Another method of dealing with the problem of unexportable surplus is that the Government are arranging financial help for the surplus produce of the land which cannot be exported at present to foreign countries. If the Government decided to adopt this policy, it would not be anything new which they would be doing. It is a policy which has been adopted in other countries who have made arrangements for the purpose of surplus crops. We can cite the example of countries in North and South America where British finances have been employed for Government purchases. India is a unit of the British Empire, and as is generally known, she represents the weakest economic link in the British Empire. It is, therefore, essential that the Indian cultivator should receive financial protection during the war. The Government of India should introduce a scheme for the purchase of the present unexportable stock which they should hold till such time that the war is over and export markets are again thrown open."

Dr. Sir Ziauddin Ahmad: You mean both perishable and non-perishable?

Sir Abdul Halim Ghuznavi: For three years goods like Jute are not perishable. Now, Sir, it is a fact which cannot be denied that British finances have been employed in countries of North and South America

for Government purchases, and so I ask, is it not high time that Government in this country also did something on those lines? The price of agricultural products has gone down tremendously. What are the Government doing for the poor agriculturist? If they cannot do anything to help the agriculturist in these hard times, at least they ought to purchase from him the unexportable surplus. After all whose fault is it that he is not able to export his stuff? The ban has been placed by the Government for two purposes—one is that the goods should not reach the enemy country, and the other is there is no shipping. His Majesty's Government wants all the shipping available for conducting the war, and the result is that the poor agriculturist cannot export, which means that the poor cultivator has to suffer. Look at the prices prevailing today. Just examine the index prices a year ago, and you will see that something has to be done in the direction I have indicated.

Now, Sir, another point is this. The Conference Liners Agreement should be suspended during the war. Honourable Members may desire me to explain the matter a little more fully. This is a technical matter. The Liners have an agreement among themselves, and that binds a shipper, to ship only through these Liners in order to get the rebate at the end of the year. That agreement precludes me from shipping through other agencies which are not members of the liners nor to charter a steamer and ship my own goods. Immediately they penalise me by not giving me that rebate, which is a huge amount, if I do my shipping through other agencies. Now, about this matter, this is what Mr. Ispahani in his address in the Annual Meeting of the Muslim Chamber of Commerce stated:

"The Committee have been at pains to impress upon the Government the urgent need of finding a solution to such problems which affect directly the movement of goods such as rebates and conference line agreements. I am inclined to the view that the rebate allowed by steamer companies and the regulations of the conference lines which prevent chartering of vessels for merchant cargo should be done away with so long as the existing abnormal conditions prevail. Further, it is the considered view of the Chamber that the Government should abolish conference lines agreements and the system of rebates for at least the duration of the war, because in the changed conditions of international trade, they are a hindrance in the way of free movement of goods."

Sir, merchants all over India, I mean exporters all over India are finding it difficult to maintain their offices. They cannot dispense with their old and experienced servants, but the trade has come to a standstill. There is no export. You have banged the door against export lest the goods should reach the enemy countries. You yourself will not buy the unexportable produce and protect India's interests, nor will you allow us to export wherever it is possible to do so, nor can we export anything because there is no shipping. If I charter a ship, the next moment the Liners' Conference will take away all the benefits that I have got for the last year's shipments, and they will not grant me a rebate.

Qari Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Is it a Government body?

Sir Abdul Halim Ghuznavi: Yes. Government can certainly do anything they like under the Defence of India Act.

Qari Muhammad Ahmad Kazmi: It has been made under the Defence of India Act?

Sir Abdul Halim Ghuznavi: No. This is a Liners' Conference, it consists of private companies. This is a very vicious system and our friends the Europeans have combined together to keep the trade from going out of their hands.

An Honourable Member: Monopoly. Penal clause.

Sir Abdul Halim Ghuznavi: We want that Government should suspend the Liners' Conference for the duration of the war and allow us freedom to export if we can by arranging other boats. Other countries' boats are available, but we cannot engage those boats because we shall be penalised, because what we have earned during the last year will not be paid to us in the shape of rebate.

Maulana Zafar Ali Khan: Have you got sufficient ships?

Sir Abdul Halim Ghuznavi: Sufficient ships we have not got, but there are Liners, such as the Norway Line, which we can get, but we cannot charter because we know we shall be stabbed in the back by these Conference Lines. (Interruption.) What will happen to the commission that we have earned? That will be taken away.

Sir, I will take a few minutes about the unpreparedness of India and war propaganda about which Mr. Griffiths spoke the other day. Sir, I entirely agree with my Honourable friend, Mr. Griffiths. There has been no propaganda worth the name to educate the people of India, to tell them the truth, to explain to them that in the winning of the war lies their safety, and if they did not assist with their might to win the war, what would be their fate. What is the propaganda that the Government of India are doing in the provinces? In Bengal I am the Chairman of the War Committee for collection of defence loans. I am hampered. We are not Government servants, but it is our duty to help as much as we can in the war effort and a committee of business men meet every Friday evening and with utmost desperation that neither the Government of India nor the Bengal Government feel any responsibility in the matter. His Excellency the Governor does his best, but what about the civilians? They are not amenable either to reason or persuasion. They will put an obstacle at every step. That was my experience as the Chairman. In the Asiatic Review published in July last year, my Honourable friend, Sir Frederick James, wrote—and I entirely agree with him:

"Criticism has been heard from Indian and European quarters alike of the lack of leadership in the country with regard to the equipment of India's own defence. There is a growing tendency for political leaders to regard this as the most urgent necessity. Constitutional discussions can wait, but there is an almost desperate anxiety on the part of every community to take an increasing share in the organisation of India's internal defence. Those who are in power in this country and the United Kingdom would be well advised to recognise and encourage this tendency."

What was the position in 1939 which my Honourable friend has described? India was absolutely unprepared. What would have happened if in 1939 Japan had attacked India?

Qazi Muhammad Ahmad Kasmi: It did not attack.

Sir Abdul Halim Ghuznavi: That is only a stroke of luck. What did the Government do. . .

Qazi Muhammad Ahmad Kazmi: It has not attacked even now.

Dr. P. N. Banerjee: Likely to attack.

Sir Abdul Halim Ghuznavi: . . . to organise India's defence? Even now, what is this farce of black-out in Calcutta and Bombay?

Dr. P. N. Banerjee: An absolute farce. I entirely agree.

Sir Abdul Halim Ghuznavi: What is this farce? What is this training? You had better be ready here and now with your shelters—not only black-out. Black-out won't help, where are the shelters? Shelters should have been constructed. We should have been ready with the shelters. Nothing. Anti-aircraft—only two in Calcutta so far as the public are aware.

Sardar Sant Singh (West Punjab: Sikh): I can assure you that Lyallpur has not got even one.

Sir Abdul Halim Ghuznavi: So far as we from Bengal are concerned, I have begged, and appealed to the late Commander-in-Chief that Bengalis,—let the Muslim League say what they like, let the Congress say what they like,—Indians as a whole stand by the British Empire. Sir, the Bengalis want to fight shoulder to shoulder with their European comrades but no support was forthcoming from the late Commander-in-Chief excepting that he wanted one unit of 110 Bengalis where we got applications in thousands. This is Bengal's Heavy Coastal Battery. Later on, 900 Bengalis as 16th Bengal have been recruited and embodied. I say, Sir, that there is no Indian worth the name who is not prepared to support Government to win the war and he considers no sacrifice too great: but you must also remember to treat him as an equal. Give him that freedom which you have given to the Dominions. Trust him. Train him. Take him into confidence and show him what Government are doing and what Government want him to do. Treat him as your equal and you will find India would stand to a man by the side of the Empire.

Maulana Zafar Ali Khan: If they don't, what will you do?

Sir Abdul Halim Ghuznavi: That question has not arisen yet. I welcome His Excellency the Commander-in-Chief's declaration that he was devising ways and means for closer co-operation between the legislature and the Defence Department. If such an organisation is worked in the right spirit, it will remove much of the misunderstanding of the situation. Coming from Bengal as I do, I welcome the further announcement that the existing basis of army recruitment, namely, the class composition of the Indian Army would be reviewed in due course and that no class or area would be excluded from consideration for recruitment in the formation of new units. The way will now be open to the Bengalis to show their military prowess and efficiency in all arms of warfare. Bengali boys have already made their mark in the Indian Air Force and will do so in the Indian Navy also: His Excellency has already spoken well of the Bengali Coastal Battery Boys: Bengalis will justify the confidence placed in them.

[Sir Abdul Halim Ghuznavi.]

Sir, as I have stated just now, India to a man stands behind the Empire but let us examine the position. I will read only a few lines from the speech of the Maharaja of Darbhanga made in the Council of State. He said: "It is true that taxation is mounting up and donations to war funds are coming in"

Mr. Deputy President (Mr. Akhil Chandra Datta): May I tell the Honourable Member that this was not allowed by the Honourable the President?

Sir Abdul Halim Ghuznavi: Very well, Sir. The Maharaja of Darbhanga, in the course of his speech, said that there are able men in India who want to co-operate, apart from the Muslim League and the Congress. But what is the reply of the Government? Nothing doing. What is the message of His Excellency the Governor General? The message is "You, naughty children, decide among yourselves", and nothing else. Is that, Sir, the correct attitude? The official thinks that the war efforts of the non-officials and others who give their time and energy have no value. They take it as a matter of course that I should give my time as in duty bound. Co-operation is a plant of slow growth. It is available, but not in the way wanted. Government have to take the people in their confidence, treat them as having equal rights, Government officials have to get rid of their spirit of Superiority complex and you will find that Indians from one end of India to the other would respond.

Sardar Sant Singh: I have listened with great interest to the speech of my Honourable friend, Sir Abdul Halim Ghuznavi. On one point I want to support him whole-heartedly, and that is the point of taking steps to Indianise the Port Trust completely. I really have been unable to understand why there should be Europeans at all on these bodies.

An Honourable Member on the European Group Benches: Why not?

Sardar Sant Singh: I am just giving you the reasons. I hope you will tolerate it. We in India either import or export goods. What we import, Indians consume. What we export, we produce. Where does the European come at all in this picture? In what proportion? If you consume, you consume because you live in India, as India's guests. No more, and no less. While primarily we are interested in the import and export trade of India, there is no reason why Europeans should be on these bodies at all. May I ask my friends: If India exports a good deal of raw material to Great Britain, will they tolerate Indians being on the Port Trusts of Great Britain? No. Is there any country where foreigners are on the Port Trusts? None. Why should there be any exception in India at all. I think Government should not treat this question with indifference any longer and they should consider the question on its merits and as such I would strongly support the viewpoint of Sir Abdul Halim Ghuznavi on this point.

Coming to a few points which I want to touch upon in the discussions on the Finance Bill, I will begin by quoting from the speech of the Honourable the Home Member, what he said yesterday about the working of the Defence of India Act.

Dr. P.N. Banerjee: He made a very humorous speech which we all enjoyed.

Sardar Sant Singh: From the serious he came to the humorous, and so long as he was humorous, he was very interesting. But so far as the portion for serious attention was concerned, I agree to differ from him a good deal. In reply to my question which I tried to put to him, he would not give way, but then he went on saying:

"I am able to assure the House that in administering the Defence of India Act, in so far as it depends upon the Central Government, we have a full sense of our responsibilities. I must repeat that no assurance has ever been given that the rules would *not* be used against any form of activity which was designed to impede the successful prosecution of the war."

So far as I have been able to interpret the meaning of the few sentences which he spoke, they practically mean that all activities—whether impeding the successful prosecution of the war or otherwise—can be dealt with under the Defence of India Act. Am I right in interpreting him, am I right in interpreting this portion of his speech yesterday?

The Honourable Sir Reginald Maxwell (Home Member): Will the Honourable Member kindly explain exactly what the point is which he wants to be elucidated?

Sardar Sant Singh: How I am to interpret the words that "all activities, whether they impede or they do not impede the successful prosecution of the war, can be dealt with under the Defence of India Act". Am I right in interpreting it as I have done?

The Honourable Sir Reginald Maxwell: The Honourable Member has only to look at the Act. I quoted certain sections. I quoted the preamble, and I also quoted the section 2 which defined the purposes for which the rules could be framed.

Sardar Sant Singh: I am afraid my Honourable friend has not heard the sentence which he used yesterday in his speech.

An Honourable Member: The Honourable Member cannot quote his speech of yesterday.

Sardar Sant Singh: The Honourable Member said—I repeat once more—that no assurance has ever been given that the rules would *not* be used against any form of activity which was designed to impede the successful prosecution of the war.

The Honourable Sir Reginald Maxwell: That was a negative statement: I said that no assurance has been given that the rules would *not* be used in a certain way. That is a fact.

Sardar Sant Singh: I wish he had made a positive statement instead of a negative statement; that would have helped us a good deal. My complaint has all along been that the Defence of India Act is practically replacing the ordinary penal laws of the country; my complaint is that when we assented to the enactment of this Law, we were not given to understand

[Sardar Sant Singh.]

this. And if I did not understand it correctly, then I think my position is justified by the subsequent events. My grievance has been during the discussion and passage of the Defence of India Act that this Act would be used for activities which are not intended to be within the four corners of that Act. I quoted from the Hunter Committee's Report of the working of the old Defence of Realm Act, its predecessor in the last war; I quoted to show that even the cases of adultery, cheating and such matters would be and were dealt with under that Act, I think the trend of the discussion was that such cases would not be dealt with under the Defence of India Act. But today I find that that Act is being used for purposes other than those for which it was passed in this House. I think my Honourable colleagues on the European Benches will agree with me that they have a respect for the rule of law, as great a respect as I have. I wish the Government of India had similar respect for the rule of law in this country. We are at one that the country should be governed by laws which are civilized, which are humane and which are administered in a spirit of humanity and civilization. I do not think there can be any difference of opinion on this point. I then pointed out and I had good reason to point out—because I was myself a victim of the Defence of the Realm Act during the last war, that the Act would be abused. Today I find the same story being repeated under the Defence of India Act. Do you know, Sir, what harm you are doing to yourself in sticking to that excuse? Three things are quite clear and certain. The first is that, practically, you have repealed the whole of the penal laws of the country by the enactment of this Act.

Sir F. E. James: What was the sentence passed upon you?

Sardar Sant Singh: I had four years' sentence—but I was acquitted honourably on appeal before a regular court.

Sir F. E. James: Were you granted bail?

Sardar Sant Singh: Yes. The Punjab Government ultimately withdrew the case against me. I want clarification on three points. First of all, is it the position of the Government that the ordinary penal laws of India have been suspended during the period of the war?

The Honourable Sir Reginald Maxwell: No.

Sardar Sant Singh: If not, then what does he mean when he says that all activities, whether they impede the successful prosecution of the war or not

The Honourable Sir Reginald Maxwell: On a point of explanation, Sir, I never made any such statement.

Sardar Sant Singh: I am quoting from your statement which is before me,— what you said yesterday. . . .

The Honourable Sir Reginald Maxwell: Will the Honourable Member read out again what I said and try to think out its meaning?

Sardar Sant Singh: That is why I asked him whether he agreed with my interpretation, the one that I am placing on his speech, and he said that it was a negative statement, so you agreed with my interpretation .

The Honourable Sir Reginald Maxwell: No, no.

The Honourable Sir Muhammad Zafrullah Khan: No, no.

Sardar Sant Singh: I will be happy to see that he did not mean that.

The Honourable Sir Muhammad Zafrullah Khan: The sentence means exactly what it says. Do try to read it again.

Sardar Sant Singh: I am not in the happy position of being in the confidence of the Executive Government.

The Honourable Sir Muhammad Zafrullah Khan: There is no question of confidence. The sentence that the Honourable Member has read out from the Honourable the Home Member's speech is perfectly plain. He has paid no attention to it, and he is misconstruing it.

Sardar Sant Singh: Will you please construe it?

The Honourable Sir Muhammad Zafrullah Khan: It is perfectly clear; will you read it out again; the House will understand, if you do not.

Sardar Sant Singh: I want the same thing to be said from the Government Benches. I will read it again; I want to see if there is a different meaning. I will read it again. He said:

"I am able to assure the House that in administering the Defence of India Act, so far as it depends upon the Central Government (*mind these words*), we have a full sense of our responsibility."

I will concede so much to some degree. Then, he went on to say:

"I must repeat that no assurance has ever been given that the Rules will not be used against any form of activity which was designed to impede the successful prosecution of the war."

The Honourable Sir Muhammad Zafrullah Khan: This means that the rules will be used against every form of activity that is designed to impede the successful prosecution of the war.

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Sardar Sant Singh: The words used are "will not be used". I will be glad if my interpretation is wrong, and I will accept the interpretation of the Government because this is what I wanted the Government to commit themselves to. I am glad that it bears the interpretation that only those acts will fall within the Defence of India Act and the Rules framed thereunder which impede the successful prosecution of the war.

The Honourable Sir Muhammad Zafrullah Khan: Or offend against any other object of the Act.

Sardar Sant Singh: Now the word 'or' comes in. The other object of the Act is the maintenance of order and security in the country. That, too, is qualified by the purpose of the legislation.

The Honourable Sir Muhammad Zafrullah Khan: What is the use of asking me? The whole thing is laid down in the Act as the Home Member explained.

Sardar Sant Singh: That is exactly where we differ. The position now is this. It is conceded by the Government of India that the Act will be used for purposes directly or to some extent indirectly connected with the prosecution of the war. If it is so, may I ask the Honourable Member.

The Honourable Sir Muhammad Zafrullah Khan: About Sargodha?

Sardar Sant Singh: Sargodha is not forgotten. Sargodha has a grievance, because an injury has been done to the religion of the Sikh community as a whole. I will remind the Honourable the Leader of the House that when ordinary offence was committed upon the *Idgah*, a great hue and cry was raised in this House. Why do you prevent me from ventilating the grievances of my community? Is it because I am alone in this House?

The Honourable Sir Muhammad Zafrullah Khan: I am not trying to stop the Honourable Member from discussing anything which is relevant to the matter.

Sardar Sant Singh: This is quite relevant. I will accept order from the Chair. Surely, it will be conceded that religious processions, particularly those processions which are customarily taken out on religious occasions every year from all towns, do not fall within the provisions of these rules. I am sure, the Government will not allow the use of this measure even by the Provincial Governments for curbing those who are their political opponents or whom they want to oust from their political power in the province. Now, Sir, my two points are these. Firstly, as regards the religious procession which has nothing to do with politics. I have said it so often in this House that at Sargodha the anniversary of Guru Gobind Singh was not allowed to be celebrated. The procession was interfered with and at this time 31 persons are under arrest for having attended the procession under the Defence of India Rules. How do they justify that the use of the Defence of India Rules is permissible in the case of religious processions? Will the Honourable Member tell us whether he had abdicated his position as a person in charge of law and order at the Centre and as a person who was responsible for enacting this measure and allowed a Provincial Government to play fast and loose with this measure so that they may use it against any form of activity? The second point is that even today a communique has been issued by the Government of the Punjab practically in response to the challenge held out by the Sikh community that they will take direct action against the Unionist Government on account of certain grievances which the Sikh community has against that Government. The Sikh community gave a notice to the Unionist Government and the reply is that a communique is issued by means of which all processions are barred under the Defence of India Rules. Does he mean to say that the political activity is to be curbed by the use of these

Defence of India Rules? Does he mean to say that a political power cannot be replaced by a minority belonging to another school of thought simply because the Defence of India Act will be used to curb their activity to change this form? I wish the Honourable Member to take into account this question very seriously. It is not a matter which we can allow to go on without taking strong exception to it on the floor of the House.

Dr. Sir Ziauddin Ahmad: Address your constituency also.

Sardar Sant Singh: I am glad my constituency is hearing me now.

Then, Sir, I propose to take the House in my confidence by telling them what mischief is being done under this Defence of India Act. Probably, the House is not aware or has not read the speech delivered at Loyalpore in an open Darbar by no less a person than Sir Douglas Young, the Chief Justice of the High Court of Lahore. He held a Darbar. Forgetting completely that he was the Chief Justice of the Lahore High Court, he publicly gave expression to his views which clearly denoted that he was influenced by the political issues of the day. Well, it may be permissible for any individual to hold any opinion he likes. But as the head of the Judicial Department he should not have dealt with this issue, because he is called upon to decide those very cases. That speech has called forth a severe comment from the *Hindustan Times* and several other papers. So far, the matter could have been allowed to go without much comment, but what happened later on is a different story. I wish the European Members will kindly listen to it with a good deal of interest. As the administrative head of the High Court, Sir Douglas Young did issue orders that the Defence of India Rules cases should not be heard by Indian Judges.

The Honourable Sir Muhammad Zafrullah Khan: That is wrong.

Sardar Sant Singh: Please listen to me calmly. Not only did he issue orders, but appeals were sent to European Judges alone from October, 1940. The verbal order was issued in October. On 9th December, he issued an order in writing to the Registrar. I must say to the credit of the Indian Judges, Mussalmans, Hindus and Indian Christians, that they resisted this order with all their might. A good deal of correspondence passed between the Chief Justice and the Indian Judges on this point, and the result is, though I am not definite, that the matter is going up probably to His Majesty the King-Emperor.

The Honourable Sir Muhammad Zafrullah Khan: Nonsense:

Sardar Sant Singh: My friend says "nonsense". I will pay his railway fare and ask him to go and make inquiries on the spot, and he will find that I am saying much less than what has happened there.

Dr. P. N. Banerjee: He travels without ticket: why should he pay?

Sardar Sant Singh: If my friend wants to be further enlightened, I may tell him that at this time the relations between the Chief Justice and the Indian Judges are very much strained, and the Indian Judges do not wish him in the morning when they meet each other. There is a complete boycott between the two sections. My friend said "nonseke", but I never thought that he could be so ignorant of the Punjab affairs as he poses to be at this time.

The Honourable Sir Muhammad Zafrullah Khan: I have no secret means of information such as the Honourable Member seems to possess.

Sardar Sant Singh: I am surprised that with all the machinery of the Government of India at his disposal, with the whole of the Intelligence Department at his disposal which he can utilise, if he cannot utilise them, well, Sir, he will refer to his neighbour to find this out. His neighbour is all powerful in India and he can give us good stories. I can give him a humorous story of what happened under the Defence of India Act.

The Honourable Sir Muhammad Zafrullah Khan: If the Honourable Member will give us the source of his information, then we will be able to judge.

Sardar Sant Singh: Well, I see, I should give him the source of my information. I shall take my Honourable friend to the High Court Bar at Lahore, and by asking him to listen to everybody, he will be supplied with all the information. Everybody will tell him. It is a matter of common knowledge, and it is a public matter known to everybody.

The Honourable Sir Muhammad Zafrullah Khan: Hearsay is no evidence.

Sardar Sant Singh: I take full responsibility for what I am saying, and I can assure my Honourable friend that I am disclosing much less than what has happened there.

Sir H. P. Mody (Bombay Millowners Association: Indian Commerce): Give out the whole thing.

Sardar Sant Singh: It is a disgraceful state of affairs in India that the Chief Justice of a High Court should take sides under the Defence of India Act and should meddle in politics. (Interruption.) My Honourable friend seems to take it so lightly. The Defence of India Act is no ordinary measure. Because some people occupy the unique position in which they cannot be touched, they think that the public at large are similarly safe under the Defence of India Act. They are quite wrong in thinking so. My Honourable friends on the Treasury Benches must realise that they are here for the purpose of maintaining peace and order, they cannot be the disturbers of peace, because being disturbers of peace, they cannot be touched. If the same thing has been done by any ordinary man, he would have found himself locked up behind the Deoli camp,—the paradise of the Honourable the Home Member. For much less offences people have been put in the Deoli camp jail. But because Sir Douglas Young happens to be the Chief Justice of the Lahore High Court, that is why he is immune from all consequences of his acts. I do not know why the Defence of India Act should not be applied in his case. The Defence of India Act is meant for the maintenance of peace and order in the country, it is meant to safeguard the security of India. Is not the peace, is not the security and tranquillity of India jeopardised by such acts as those of the Chief Justice of the Lahore High Court? This sort of reasoning which my Honourable friends on the Treasury Benches adopt will not do. On the 9th December, 1940, the Chief Justice wrote to the Registrar of the High Court. I am not concealing the date.

Sir F. E. James: Did you see the letter?

Sardar Sant Singh: No, I am sorry.

Sir F. E. James: Did you at least see a copy?

Sardar Sant Singh: Then, Sir, my Honourable friend in the speech of his yesterday used rather a language which I never expected from him, and that was the Honourable the Home Member. He was continuing his speech. He said:

"That is all I need say on this particular point, except this that in so far as we have used powers under the Defence of India Act and rules against movements of this kind or against any other movement commonly described as political, we have touched only the war aspects of the activities of these agitators. The Defence of India rules have not been used from the beginning, and I defy any Honourable Member to give me an instance to the contrary. These rules have not been used to suppress any legitimate form of political agitation."

Well, Sir, I think I have furnished two instances, one is that of Sargodha in which connection a communique was issued by the Punjab Government and the second one is what happened in the Lahore High Court. That is the reply to my Honourable friend's challenge.

The Honourable Sir Reginald Maxwell: How can any one of these instances be described as suppression of legitimate political activities?

Sardar Sant Singh: Does my Honourable friend suggest that the suppression of religious activities or religious functions is not the suppression of legitimate activities? If his answer is that it is not, then I bow to his interpretation. I have become wiser then. Then your challenge remains unanswered.

The Honourable Sir Reginald Maxwell: Thank you.

Sardar Sant Singh: My reply is, you are suppressing ordinary religious legitimate activities, and if this is not accepting your challenge, then I wish there should be other matters. What about the notice to the Shiromani Gurdwara Prabandhak Committee when they told the Government that they will defy them on account of certain grievances which they felt against the Unionist Government?

The Honourable Sir Reginald Maxwell: Religious or political grievances?

Sardar Sant Singh: Political grievances. Will not that communique constitute a suppression of legitimate political activities of a community, a minority community, a strong, virile minority community of the Punjab?

Dr. Sir Ziauddin Ahmad: It is not.

Sardar Sant Singh: Then I think my Honourable friend lacks imagination, the Government of India absolutely lack imagination and their vision is blurred, and their administrators are not fit to govern this country.

I will now make a suggestion, and I hope the suggestion will be accepted by the Government of India in their own interest. We are passing through critical times of war. Things do not seem to go very smooth. By

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our very presence here in this House, we are all agreed that we must assist in your war efforts, however small it may be. It will stimulate our war efforts if the working of the Defence of India Act is examined by an impartial tribunal consisting of a few Honourable Members of this House, even with a majority of Government Members, under the chairmanship of a European I.C.S. If this course is adopted, I will go so far as to say that even under such stringent circumstances, my position will be vindicated. I will accept the verdict even of those who are interested against me.

The Honourable Sir Muhammad Zafrullah Khan: Who are they?

Sardar Sant Singh: I will accept as Chairman any gentleman. Even my Honourable friend, Sir Muhammad Zafrullah Khan, might examine the working of the Defence of India Act. If he makes a report after enquiry, I shall accept his verdict.

The Honourable Sir Muhammad Zafrullah Khan: But I am not interested against you.

Sardar Sant Singh: I know that you are not. But you are interested in the proper working of the Defence of India Act. Personally, I have great respect for the Honourable Sir Muhammad Zafrullah Khan Sahib. I have always shown that respect which is due to his high exalted position, to his keen intelligence. I have never denied his ability. But I am talking about the political issue. With all the emphasis at my command, I will say that the House should appoint a Committee to enquire into the working of the Defence of India Act and the rules made thereunder both in the provinces and in the Centre, and if the Committee finds on enquiry and comes to the conclusion that the rules have not been worked in the spirit in which they were intended, then in that case, the Government of India should undertake legislation to take away the powers from the Provincial Governments, whether those Provincial Governments are Congress Governments, whether they be the Muslim League Government or whether they be a Unionist Government, as in the Punjab. (Interruption.) There is nothing disagreeable to us. We want to raise this point.

Dr. P. N. Banerjee: A very fair proposal.

Sardar Sant Singh: I hope the Government will accept my proposal.

Dr. Sir Ziauddin Ahmad: Are not Sikhs included in the Unionist Government of the Punjab?

Sardar Sant Singh: They are.

Dr. Sir Ziauddin Ahmad: Then, why are you condemning the Unionist Government?

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

Sardar Sant Singh: I am condemning the policy which the Unionist Government in the Punjab is pursuing. I am not condemning any community. I am condemning the Government.

Now, Sir, I come to the debate that took place about the appointment of a Defence Committee, a Committee for the Defence Department. I must say, Sir, that I am not satisfied with the position taken up by the Government. Even conceding that today to a great extent the Defence Department supplies sufficient information about their activities, even conceding that whenever we make a suggestion it receives their very best consideration or that whenever we ask for information it is given to us, it is still no substitute for what we demand. We demand some sort of control over the policy of the Defence Department.

An Honourable Member: Full control.

Sardar Sant Singh: Full control will come with the solution of the constitutional question. I know that the constitutional question cannot be permitted to remain unsolved for any length of time. I will deal with this question presently, but at present I am repeating what I said yesterday that the appointment of an Advisory Committee in the Defence Department should not be tagged to the question of the settlement of the constitutional deadlock. On that point I do not want to detain the House long but I will only say that the mere giving of information or even holding out a promise to show some of our friends the magnificent work which is being done by the Indian Army abroad will not help. The main principle against which we are contending is that the Defence Department is not trusting us. They say they trust us but actually they do not do so. My contention is that the appointment of an Advisory Committee for the Defence Department will be a proof of change of heart and change of policy in placing their trust and confidence in the elected representatives of the people in this House. That is the principle which I want the Defence Department should admit by the appointment of this committee and that is why I am insisting upon it. There may be difficulties in the procedure and there may be difficulties in getting such a committee chosen by election but this can be got over by making a small beginning and taking leaders of parties as such on that Advisory Committee and taking the more important interests on that committee. They should not continue to be inactive in regard to this matter.

There is one point on which I have been touching year in and year out, on this occasion, during the last eight years and that relates to the Communal Award. This pernicious principle is found in the Government of India Act. At the time of its announcement some of the leading Sikhs, including myself, vowed that we shall never willingly submit to this Communal Award, and we still continue to take that position. Many years have passed and the time has now come when a new constitution will have to be considered, whether during the war or after it. I do not want that our point of view should go by default and we should be thought of as having submitted to it or accepted it as final. I do not want to go into the merits or demerits of the controversy. I only perform a duty by bringing to the notice of the country through this House and through you, Sir, that the Sikh community has not accepted the Communal Award and would like it to be amended when the next constitutional advance takes place.

The Honourable Sir Muhammad Zafrullah Khan: I thought the Honourable Member was elected by a constituency which was formed on the basis of the Communal Award.

Sardar Sant Singh: That does not mean acceptance of the Award, and that is what I am trying to press upon the House.

Then, I want to say a few words upon the census that has taken place. Some of my friends will be interested to hear

Maulana Zafar Ali Khan: Before proceeding to the census, will the Honourable Member give us an assurance that the Sikhs will accept joint electorate in the Punjab?

Sardar Sant Singh: We will give that assurance when you meet us equally.

Maulana Zafar Ali Khan: They will not accept it.

Sardar Sant Singh: We will discuss this subject when the proper time comes for discussing it.

About the census, it was given out here on the floor of this House that one community has suffered on account of the misdeeds of the other community. I can assure Honourable Members that there is no such thing as one community suffering at the hands of the other. As a matter of fact, misdeeds have been committed by all communities including my own. I will give them some facts from Lyallpur where I happen to be the Superintendent of the Census Operations. The position was that we expected and we had reason to expect that the population of Lyallpur was 58,000. However, in the provisional census it came to 63,000, and, a few days later, when the actual census was taken, it went up to 77,040. When I asked, how it happened, I was told stories which I will relate for the benefit of all, and specially for the Census Commissioner. What happened was this: that the communities began to enumerate, and each man tried to show as large a number as possible, till one man beat the record, and he said: "I have got one hundred men as my guests, because a marriage party has come." There was no marriage party, and he was living in a house which had only two or three rooms, and there could hardly be more than ten persons there! As regards my Muslims friends (Interruptions.)

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

Sardar Sant Singh: As regards my Muslim friends, they had a very good formula; they said, every Muslim has got four wives, and four children from each wife; so the Muslim population went up. So far as the Sikhs are concerned, they said: "All right; you are living with us, working with us, earning wages from us; you must state that you are a Sikh." So the enumeration went on, and, ultimately, it resulted in a 14,000 increase in a week's time. That means something like 20 per cent. increase in a fortnight. That is the value of the census enumeration this year. It is very regrettable

Sir H. P. Mody: This is very unfair to Parsis!

Sardar Sant Singh: If the Parsis are unintelligent enough not to increase their population, they have only themselves to blame. I just wanted to convey an impression about the particular town I know, so that there should be no communal jealousy or communal bitterness about the operations of this census business. We can safely think that where there have been clever men they have used their cleverness to the fullest advantage of their community and we need not trouble further about them.

I want to mention two more points: one is about the political deadlock that we are facing today. I want to make a few observations about it. One is that the attitude of the Government that so long as the communities do not come to an understanding between themselves there can be no advancement, and, secondly, that the initiative towards the settlement of constitutional questions has always been taken by the Government and now they leave it to the communities themselves to take the initiative. Thirdly, the insistence of the Government that the offer made by His Excellency the Viceroy on the 8th August, 1940, still stands open. These are the three positions taken up by the Government in the settlement of this issue. My submission is that the Government are wrong in taking up that position. First of all, I shall deal with the question of settlement amongst the communities themselves. That is a position which is logically unsound because so long as the power remains with the Government, so long as the Government retain the power of distributing good offices to one community and encouraging others to expect that the communities will reach a solution is a difficult matter. There must be entire change of heart between the communities themselves and unless they should become absolutely independent of the Government in all matters, political, social and others, they cannot settle anything between themselves. After all, the general method of settling disputes is by the vote of those who meet together. In this there are difficulties and the difficulties will be pointed out by our friends of the Muslim League. No doubt I am not ignoring those difficulties; but at the same time I cannot congratulate the Government that they should take advantage of those difficulties and refuse to move in the matter.

The second point about the offer of the 8th August, 1940, being open—take it or leave it—is again now supplemented by another declaration of the Secretary of State and that was whether any party comes in or does not come in, the expansion of the Executive Council will proceed. Why has that been silenced though the offer remains open?

An Honourable Member: Because of the war.

Sardar Sant Singh: But the offer was made during the war and this was said by the Secretary of State during the war. May I suggest that in the absence of certain parties not coming in, it is still the duty of the Government in their own interest, not so much in the interests of India as in the interests of the Government themselves, to proceed with what they think to be the right position? If the Congress and the Muslim League do not come in, well, certain other persons of progressive views are willing to come in

Dr. P. N. Banerjee: Non-party men.

Sardar Sant Singh: I will not call them non-party men: they may have strong inclinations or tendencies towards one or the other; but, certainly, there can be no want of such men who possess the confidence of the people as well as the spirit of coming in and running the Government. (Interruption.) I do not want to enter into any controversy over it and I will not give way. I am not entering into any controversy at all—I am making general remarks in a spirit of helpful criticism and I am opening up no controversies. We may differ on many points and we have a right to differ from each other if we hold honest opinions about it. I will not deny that right, but I will not open up a controversy at all on this point. I will only say that the Government's duty is not to sit still. There has never been a Government of India where only two non-official Indians have been in the Executive Council of the Government. This is the smallest number that ever was in the Government of India—of non-official Members. There are three Indians, no doubt, but the third is an I.C.S., an official and there are only two non-official Indians. That is not a happy state of affairs and I will ask the Government of India to reconsider their position and not to stick to that position of "take it or leave it". It does no credit to the statesmanship of those who occupy positions of power in the Government of India. Last of all I should like to address a few words to the Honourable the Finance Member . . .

An Honourable Member: He has just come back.

Sardar Sant Singh: I was waiting for him, before I alluded to this subject, I mean, the working of the Income-tax Act. I think I may remind him that during the passage of the new Income-tax Act and the Excess Profits Tax Act he gave us abundant assurances that it would be worked with sympathy and that no coercive measures would be used against anybody until all the other measures had been exhausted. Sir, a case has come to my notice from Bombay. I think my friend, Sir Homi Mody, would be in a better position to throw light on it,—an individual has been assessed to pay 25 lakhs of rupees. I think he is the one individual in India who has been assessed to such a high figure, and within eight days of the assessment order, coercive measures have been taken, and all his bank balances have been attached. I do not know the full facts of the case . . .

The Honourable Sir Jeremy Raisman: I do.

Sardar Sant Singh: You may know the facts, but I only want to bring to your notice the way in which the Act is being worked. When this story was related to me this morning, I did not like it, and I thought it was my duty to bring it to the notice of the Honourable Member, because such coercive measures, unless they are fully justified, should not be allowed. I may assure my friend that in my part of the country I have no such complaint to make against any Income-tax Officer, nor has there ever been a case brought to my notice from Lyallpur where coercive measures have been adopted. But the Bombay case appeared to me to be a hard case which was recited to me in the Notice Office and I thought it was my duty to bring it to the notice of the Honourable the Finance Member.

Then, Sir, the last point which I wish to touch on is in respect of the Department of my friend, the Communications Member. It is about my old complaint about the working of Rule 15 of the Post office and Telegraph Rules. I am a very bad man because I stick to what I think is a grievance and I try to ventilate it until I get redress. My experience of the working of rule 15 in the Sargodha affair has been very bitter. If things are allowed to proceed in the manner in which the Sargodha Magistrate acted, by issuing a general ukase to the telegraph clerk that no message relating to a particular incident should be allowed to be telegraphed outside, it gives a complete control over the Telegraph communication in the hands of the District Magistrate. The rule, if rightly interpreted, will mean that the initiative must first proceed from the telegraph clerk. If he considers that the news which he is transmitting is of an alarming or objectionable character, he has to refer the matter to the District Magistrate. But I cannot understand why the initiative should have been from District Magistrate when telegrams of a particular type are to be sent. If his previous consent is always required before telegrams of a particular type are transmitted, then I think it defeats the very object for which the rule is framed. The Honourable the Communications Member will do well to send for the correspondence that passed on this matter and then form his own opinion. I think he will agree with me that in principle the Telegraph Department cannot allow itself to be subjected to such orders of a District Magistrate, who is a petty local official influenced by local politics. These people cannot see beyond their nose; they cannot understand what the reactions will be to their orders in the country. The Telegraph Department is not a matter concerning the Provincial Governments; it is a Central subject, and as such it is the duty of the Central Government to see that the telegraph rules are not abused so monstrously as they have been done at Sargodha. It is one thing to hold a different opinion. I have read that telegram before the House. To me it did not look to be of an alarming nature. I know what kind of reply my friend will try to give me. He will take shelter by saying that the matter was sent to the *Tribune* as well. But the *Tribune* people should have been warned about the press laws; it is one of the most responsible papers in the country. My whole point is that certain definite instructions should be issued to the telegraph authorities, because this sort of censorship was never contemplated by the Defence of India rules, and the telegraph authorities should be told not to apply those rules to such cases.

Dr. E. D. Dalal (Nominated Non-Official): Mr. President, the defence expenditure owing to the conditions of modern warfare is bound to be on a great scale. Public opinion in India is more deeply concerned with the results accruing from expenditure on defence than with the burdens which such expenditure involves. The Army in India is still *under* an establishment which experts consider too low for its manifold responsibilities. The Honourable the Finance Member has launched loans to finance the defence expenditure, and he appeals to a patriotic public, which has already shown its mettle by a flow of voluntary subscriptions. It is quite essential that these loans should carry only a low rate of interest, and acceptance of that rate is the sacrifice which will be expected from the lenders. Three per cent should be regarded as the maximum rate of interest to be paid on Government loans, but every half per cent saved is a

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considerable contribution to war effort. The quotations of Government securities show a yield of over four per cent on long-dated loans. It would be destructive to borrow at such a rate. There is no object in offering higher rates of interest for loans than will be appropriate when the emergency is over; and in no circumstances loans carrying a rate of interest in excess of three per cent should be offered. The rate of interest on Defence loans, namely, three per cent, reflects both the high level of India's credit and the patriotism of the investing public. There has been a good response to the Government appeal for Government loan free of interest. Many public-spirited citizens and institutions have not waited to be asked, and have shown their readiness and patriotism to make sacrifices for the common cause. In times of emergency some taxation is absolutely necessary. It is conventional sometimes to talk about the wisdom of meeting the defence expenditure almost entirely out of taxation without borrowing, but such a thing is impossible. It makes all the difference in the world to each individual personally whether the excess of his income over his consumption is taken from him by tax or by loan. To him personally Government stock is an addition to his wealth, to his security and to his comfort in facing the future. The advantages of a borrowing policy coupled with the avoidance of crushing taxation are obvious. The main principles of loan policy in times of emergency are two. The first principle is that loans must be raised after the expenditure has been incurred, and not before. The savings come into existence *pari passu* with the expenditure and are not likely to be available for subscriptions to a loan until some time after. The second principle is that the forms of the loans should be mainly dictated by the preferences of the public. If the public prefer short-dated loans, nothing can be gained and much will be lost in terms of interest and in the disturbance to the financial fabric by attempting to force long-dated loans on them.

Now, Sir, I pass to an important point, which greatly exercises public opinion in India. Sir, heavy expenditure has to be incurred in connection with the management of Indian detention camps. In addition, allowances have to be granted to the families of political detenus. I submit that this expenditure can be considerably reduced if the political deadlock be ended. So, with your permission, I propose to discuss very briefly the subject of political deadlock in India and to make suggestions with a view to resolve it.

Sir, political deadlock in India persists because the Congress, the Muslim League, and the Indian States are at variance with one another in their respective proposals for a solution. The Congress insists that India's constitution should be framed by a Constituent Assembly. The Congress policy has taken the form of a demand for independence, which will give the people of India the right to frame their own constitution by means of a Constituent Assembly. The All-India Muslim League insists on the recognition of the Muslim community as a separate nation, and, thus, in effect, demands the partition of India. The Indian States insist that their peculiar treaty rights should be safeguarded. The action of the Congress leaders has aroused grave misgivings in many quarters. It has unquestionably aroused the apprehensions of the Muslims, whose leaders believe that full satisfaction of the desires of the Congress would mean Hindu domination in India, and they strongly resent the claim advanced by Mr. Gandhi that the Indian National Congress represents all India,

even including Indian States. Other minorities also reject Congress leadership. The Indian States have announced their refusal to be bound by the decisions of the Congress. But, Sir, there is one great issue on which the different political parties in India are agreed both with one another and with the Suzerain Power. All India sees Hitlerism clearly as the enemy of Indian as of European civilisation, and all India is at one in the determination to exclude this evil system from Asia and to uproot it from the world. It is generally recognised that if Europe succumbs to the doctrine of Hitlerism, India would have to abandon her own aspirations for political freedom. It is a tragedy that at the moment when India has a unique opportunity of fighting Hitlerism, which Indians have so consistently condemned, the leaders of the largest political party should be going to jail. Civil disobedience is coercion, and coercion can never be non-violent, because it does violence to public liberty. The trouble is that compromise is at present completely lacking among the different political parties in India. There can be no compromise and no agreement if each party insists on its own point of view being accepted before sitting down and saying, "Now, come, let us all reason together." What the country wants today is not the triumph of this party or that party, but the triumph of common sense. The leaders of the Working Committee of the Congress hope to extract political profit from the present situation. It is a great pity that the attitude of the Congress obscures the facts that Indian opinion as a whole has been solidly with Great Britain, and is wholly hostile to the aggressive German methods and aims, and that India has shown a magnificent loyalty to the common cause. The Government of India have received generous offers of help and co-operation from the Indian Princes and from the Premiers of the Muslim provinces of Bengal, the Punjab, and Sind. The British Government have recognised this loyalty in that Indians resident in England have been given exactly the same facilities for enlistment in all fighting services as are extended to volunteers from the Dominions; and this evidence of British gratitude and goodwill is widely welcomed and deeply appreciated everywhere in India.

The British Government are unanimous as to the principle of granting self-government to Indians under a constitution of their own devising. The translation of this principle into practice depends upon agreement between the Indians themselves. Since 1918 the whole policy of the British Government has been to prepare the country for self-government by a succession of stages, and at the same time to secure constitutional guarantees for the numerous Indian minorities. That progress in this direction has been slow is due to Indian disunion; but the British Government emphasise their determination to continue the progressive policy which they have followed consistently for 20 years in close consultation with representative Indian leaders. His Excellency Lord Linlithgow has shown that the objective of the British Government's policy has been defined in the preamble of the India Act of 1919 as the progressive realisation of responsible government in British India, and that this definition has been most authoritatively interpreted several times during the last ten years as the attainment of Dominion Status. Constitutional experts are all agreed that Dominion Status cannot be conferred upon a people, but it exists automatically when certain required conditions are present. When the various political elements are agreed as to the kind of constitution under which they are prepared to live and if the minorities are satisfied as to the conditions under which they are expected to live

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in the future, then the country will have secured Dominion Status for the simple reason that the British Government will have neither the power nor the desire to reject or resist the demand. Further, the British Government are ready at the end of the war to regard the scheme of the Act of 1935 as open to modifications in the light of Indian views. In the meanwhile, in order to secure the association of public opinion in India with the prosecution of the war Government suggested to form a Consultative Committee, over which the Viceroy would preside, from the representatives of all large political parties of British India and the Indian States

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can continue his speech the next day.

The Assembly then adjourned till Eleven of the Clock on Friday, the 14th March, 1941.