LEGISLATIVE ASSEMBLY DEBATES

MONDAY, 15th MARCH, 1943

OFFICIAL REPORT





Published by the Manager of Publications, Delhi Printed by the Manager, Government of India Press, New Delhi. 1945

CONTENTS.

VOLUME II-11th March to 2nd April, 1943.

	Diamo	1	_
THURSDAY, 11TH MARCH, 1943-	Pages.	Election of Members to the Standing Com	PAGES
Members Sworn	969	mittee for the Civil Defence Depart	•
Starred Questions and Answers	969-71	ment	133
Statements laid on the Table Election of Members to the Standing	971—72	Election of Members to the Committee	e
Finance Committee for Railways .	972	appointed to consider the Convention	
Election of Members to the Central Ad-		regarding the Railway Finance Demands for Supplementary Grants	. 1330—3 . 1334—5
visory Council for Railways	973	The Indian Tea Control (Amendment	. 1334—0
Election of Members to the Standing Com-		BIII—Motion to consider—adopted	. 13597
mittee for Roads	973	WEDNESDAY, 24TH MARCH, 1943-	
mittee for the Posts and Air Depart-		Member Sworn Starred Questions and Answers	137 1375—8
ment	97374	Unstarred Questions and Answers	13828
Election of Members to the Defence Con-		Short Notice Questions and Answers	1885—8
sultative Committee . The War Injuries (Compensation Insur-	974 —75	Motion for Adjournment re-	
ance) Bill—Introduced	976	Non-consultation of India as regard	8
The Indian Finance Bill-Discussion on		International Schemes for future management of Exchange and Inter	•
the motion to consider not concluded .	976-1015	national Currency, etc.—Ruled out	
FRIDAY, 12TH MARCH, 1943-	1017 01	of order	1387-8
Starred Questions and Answers	1017—21 1021—22	Throttling the Debate on the Second	ì
Declaration of Exemption under the	1021-22	Reading of the Indian Tea Contro	l 100
Registration of Foreigners Act	1022	(Amendment) Bili—Not Moved . Election of Members to the Central Ad-	. 138
The Indian Finance Bill—Discussion on		_ visory Council for Railways	138
the motion to consider not coincluded .	10226 3	Election of a Member to the Standing	3
MONDAY, 15TH MARCH, 1948— Starred Questions and Answers	106573	Finance Committee	1389—9
Unstarred Questions and Answers	1078-75	Election of a Member to the Central Com-	
Amendment to the Ajmer-Merwara Motor		mittee of the Tuberculosis Association of India	13909
Vehicles Rules .	107576	Election of Members to the Standing Com-	
The Indian Finance Bill—Discussion on	1076 1110	mittee for the Commerce Department .	139
the motion to consider not concluded TUESDAY, 16TH MARCH, 1943—	1070-1116	The Delhi University (Amendment) Bill-	
Member Sworn	1119	The Indian Tea Control (Amendment)	189
Starred Questions and Answers	1119-25	Bill—Passed as amended	1392 140
The Indian Finance Bill—Discussion on	1100 80	The Hindu Code, Part I (Intestate Succes-	
WEDNESDAY, 17TH MARCH, 1943—	112 6—7 0	sion)—Discussion on the motions to	
Starred Questions and Answers	117176	refer to Joint Committee and to Circu-	1400 -04
Unstarred Questions and Answers	1176-79	THURSDAY 25TH MARCH 1943.	1406-2
Election of Members to the standing		THURSDAY, 25TH MARCH, 1943— Starred Questions and Answers	1427-36
Finance Committee for Railways	1179	Resolution re—	
Election of Members to the Standing Committee for Roads	1179	Grievances of Officials and Secretariat	
Election of Mcmbers to the Standing		Assistants employed in Railways-	143666
committee for the Posts and Air De-		Treatment of Political Prisoners and	1400-00
partment . Dection of Members to the Defence Con-	11 79 —80	Detenus-Discussion not concluded .	1467 - 78
aultative Committee	1180	Statement of Business	1479
The Indian Tea Control (Amendment)	1100	FRIDAY, 26TH MARCH, 1943-	1481
Bill—Introduced	1180	Starred Question and Answer Statements laid down on the Table	1481-83
The Indian Finance Bill-Motion to		Message from the Council of State	1483
consider—adopted	11801220	The Code of Criminal Procedure (Amend-	
THURSDAY, 18TH MARCH, 1943-		ment) Bill (Amendment of sections 269,	
Members Sworn	1221	272, etc.)—Motion to refer to Select	1483— 9 1
Starred Questions and Answers Unstarred Question and Answer	1221—27 1 227	Committee—Negatived The Special Marriage (Amendment) Bill—	140081
Motion for Adjournment re Situation	1001	Motion to continue—adopted	1491
created by the Appointment of the		Motion to continue—adopted The Hindu Married Women's Right to	
Broome Commission in Durban—Dis-		Separate Residence and Maintenance	7.437
The Indian Pinana Bill Deced	1227-28	Bill—Motion to continue—adopted	1491
The Indian Finance Bill—Passed as amended .	1228-38	The Delhi Muslim Wakfs Bill—Amend- ments made by the Council of State	
The Tobacco (Excise Duty) Bill—Discus-	1000	agreed to	149192
sion on consideration of clauses—not		The Hindu Marriage Disabilities Removal	
concluded	1238- -6 8	Bill-Motion to refer to Select Com-	149296
SATURDAY, 20TH MARCH, 1943-		mittee—withdrawn The Indian Medical Council (Amandment)	149290
members sworn	1269	The Indian Medical Council (Amendment) Bill—Motion to refer to Select Com-	
Starred Questions and Answers	12 6977	mittee—Negatived	4 96—15 21
Unstarred Question and Answer Motion for Adjournment re Sentence of	1277	Election of Members to the Standing	
death on and confiscation of properties		Committee for the Commerce Depart-	1501
of Fir of Pagaro—Leave remsed.	1277-78	ment	1521
Election of Members to the Standing Com-		MONDAY, 29TH MARCH, 1943-	1:00
mittee for the Labour Department Election of Members to the Standing Com-	127880	Member Sworn	1523 1523—87
	1280-81	Starred Questions and Answers Unstarred Questions and Answers	1537-48
THE Trade Marks (Amendment) Bill—	120001	Death of Mr. S. Satyamurti	1543-44
-morouticed	1281	Resolution re Grievances of Officials and	
The Tobacco (Excise Duty) Bill—Passed		Secretariat Assistants employed in Rail-	
as amended The Vegetable Product (Excise Duty)	1281-92	ways—Ruling re withdrawal of the Re-	1544-45
Bill—Passed as amended	292-1313	solution as amended Election of Members to the Standing Com-	154445
Demands for Supplementary Grants	1313-24	mittee for the Labour Department .	1545
UBSDAY, 23RD MARCH, 1948-		Election of Members to the Standing Com-	*
	1325	mittee for the Supply Department .	1545
Starred Questions and Answers	1325—29	Ricction of a Member to the Standing Finance Committee	154 5
	1329	Election of a Member to the Central Com-	1010
Motion for Adjournment re Execution of Pir of Pagaro—Leave refused	1990 00	mittee of the Tuberculosis Association	•
Todato Terrased	1329-30	in India	1545

`	PAGES.		PAGES.
Statement laid on the Table 7c Net Earnings of recently constructed Railway	`	The Trade Marks (Amendment) Bill— Passed as amended	16479-49
Lines Message from the Council of State The Hindu Code, Part I (Intestate Succession)—Discussion on the motions to	1545 1546	The War Injuries (Compensation Insur- ance) Bill—Referred to Select Com- mittee The Delhi University (Amendment) Bill—	164961
refer to Joint Committee and to Circulate not concluded. TUBSDAY, 307H MARCH, 1943— Starred Questions and Answers Unstarred Questions and Answers	1546—79 1581—94 1595—98	Discussion on the motions to refer to Select Committee and to Circulated not concluded Statement re Standing Committee for the Food Department	1661—83 1 68 3
Short Notice Question and Answer . Election of Members to the Standing Committee for the Commerce Department	1598—99	THURSDAY, 1ST APRIL, 1943— Starred Question and Answer abort Notice Questions and Answers The Delbi University (Amendment) Bill—	1685—87
Rection of Members to the Standing Committee for the Civil Defence Department The Hindu Code, Part I (Intestate Succes-	15 9 9	Referred to Select Committee Report of the Public Accounts Committee Message from the Council of State	1687—1724 1724—27 1727
tion)—Beferred to Joint Committee The Indian Army and Air Force (Military Prisons and Detention Barracks) Bill— Passed	159 9 1631	Starred Questions and Answers Short Notice Questions and Answers Short Notice Questions and Answers	. 172934 173437 173746
The Trade Marks (Amendment) Bill— Discussion on the motion to consider not concluded	,	Statements laid on the Table Motion for Adjournment re Refusal of permission to the Bombay Conference Delegation for interviewing Mahatma	,
WEDNESDAY, 31st March, 1943— Member Sworn Starred Questions and Answers Unstarred Questions and Answers Election of Members to the Committee appointed to consider the Convention		Gandhi—Buled out of order the Hindu Code, Part I (Intestate Succession)—Nomination of Members to the Joint Committee Report of the Public Accounts Com-	17425
regarding the Railway Finance Message from the Council of State		Demands for Excess Grants for 1940-41 . The Special Haj Inquiry Report	1756—6 1760—8

LEGISLATIVE ASSEMBLY

Monday, 15th March, 1943.

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.

WATCH AND WARD ORGANIZATION ON CERTAIN RAILWAYS.

292. *Mr. Govind V. Deshmukh: (a) Will the Honourable the Railway Member please state whether there exists a Watch and Ward Organisation headed by a Superintendent, who is assisted by Assistant and Deputy Superintendents and Inspectors on each of the East Indian, Great Indian Peninsula and Bombay Baroda and Central India Railways?

(b) Is the same a separate department?

(c) If the answer to (a) be in the affirmative, what is the pay of these officials per month?

(d) Does a similar set of officials exist on the North Western Railway? Ιf. so, what is the designation of such officials of the Watch and Ward?

(e) Is it a fact that the highest Watch and Ward official on the North Western Railway is only an Inspector? If so, what is his monthly pay?

(f) Have the Watch and Ward officials on the Great Indian Peninsula, Bombay Baroda and Central India, East Indian and North Western Railways to perform the same or similar duties? If so, why has a distinction been made between the pay and rank of these two sets of organisations?

(g) Dc. Government propose to promote the Inspectors of the Watch and Ward on the North Western Railway to the ranks of Superintendents and Assistant and Deputy Superintendents with the same pay? If not, what are the

reasons therefor?

The Honourable Sir Edward Benthall: (a) There are Superintendents of Watch and Ward on the East Indian, Great Indian Peninsula and Bombay, Baroda and Central India Railways and also Assistant Superintendents on the Bombay, Baroda and Central India and East Indian Railways. There are Inspectors on all the Railways.

(b) Yes, but on the Great Indian Peninsula and Bombay, Baroda and Central India Railways, it is under the Commercial Department.

(c) I lay a statement on the table of the House giving the required informa-

(d) No, with the exception of Inspectors.

- (e) Yes, I lay a statement on the table of the House giving the required information.
- (f) The duties of Inspectors are similar. The duties of the other officials referred to in part (a) are, on the North Western Railway, performed by officers of other Departments. As regards the second part, the organisation in force is different and it has not been found necessary to have a special gazetted officer in charge of these activities on the North Western Railway.

(g) No; as I have stated, the present organization is suited to requirements and there is no justification for creating gazetted posts on the North Western

Railway.

STATEMENT A.

Statement showing sanctioned Scales of Pay of Superintendent, Watch and Ward, and Assistant Superintendent, Watch and Ward, on the B. and A., B. B. and C. I., E. I. and G. I. P. Railways.

B. and A. B. B. and C.	ilway I.*	· :		Designation. Scale of pay. Supdt., Watch and Ward . 550-50-1,300/750-850-950. Supdt., Watch and Ward . 500-40-900-50-1,200/950	
E. I			•	Supdt., Watch and Ward 300-40-860/300-25-400-450-500 1,250-50-1.500/750.850.950	
G. I. P	•	•	•	Asstt. Supdt., Watch and Ward	

Statement showing Scales of Pay of Inspector, Watch and Ward, on the North Western Railway.

Old scale.

New Scale.

	In Divisions.
* 250—10—300 * 130—10—200 100—5—140	10010/2120
, 100—0—110	In Workshops.
21515275	140
	In Stores Department.
215—15—275	180 160 140

* Diminishing cadres.

Mr. Lalchand Navalrai: May I know from the Honourable Member how these officers are recruited? Are they recruited through the Railway Public Service Commission for subordinates, or how are they recruited?

Service Commission for subordinates, or how are they recruited?

The Honourable Sir Edward Benthall: I should require notice of that question.

DURATION OF POSTING OF AN OFFICER OF POSTS AND AIR DEPARTMENT.

†293. *Qazi Muhammad Ahmad Kazmi: Will the Secretary of the Posts and Air Department please state if it is or it is not a fact that under the departmental rules an officer cannot be posted to a station for more than four years?

Sir Gurunath Bewoor: I presume the Honourable Member is referring to the Posts and Telegraphs Department. If so, it is a fact that according to the Departmental rules certain posts should not be held by officers or clerks continuously for more than four years at a time. They can however be transferred to another post in the same station and may therefore remain in the same station for more than four years.

WITHHOLDING OF PETITIONS OF CERTAIN POSTAL EMPLOYEES OF ALLAHABAD.

1294. Qazi Muhammad Ahmad Kazmi: (a) Will the Secretary of the Posts and Air Department please state if it is or it is not a fact that the applications of dismissed or suspended employees of the Allahabad General Post Office, Posts Offices, A Division and Railway Mail Service, A Division, were returned by the Director General with the remark "Returned for submission through proper channel" and on being submitted through proper channel by the said applicants they were withheld or returned by the 'punishing authorities." If so, under what authority were the applications withheld or returned by the punishing authority?

(b) Is it or is it not a fact that the rules and circulars regarding withholding

relate to appeals and not to petitions?

Sir Gurunath Bewoor: (a) An endeavour has been made to obtain the information required by the Honourable Member, but I regret that it cannot be collected in the absence of more specific particulars.

(b) The departmental rules provide for the withholding not only of appeals but also of petitions in certain circumstances. The relevant rules are Nos. 114 and 120 of the Posts and Telegraphs Manual, Volume II, a copy of which is in the Library of the House.

POSTS OF PLATFORM TICKET BOOKING CLERKS AT HOWRAH.

295. *Mr. Muhammad Nauman (on behalf of Mr. Muhammad Ahsan): Is the Honourable Member for Railways aware of the fact that the posts of Platform Ticket Booking Clerks at Howrah Station on the East Indian Railway come under the head of Subordinates in the pamphlet of revised scales of pay, 1934?

If not, under which head are those posts shown in the pamphlet of revised scales of pay, 1934?

The Honourable Sir Edward Benthall: The reply to the first part is in the affirmative; the second part does not arise. I am, however, enquiring if any change in the classification has been made since the pamphlet was issued.

PAUCITY OF MUSLIM PLATFORM TICKET BOOKING CLERKS IN THE HOWRAH DIVISION.

296. *Mr. Muhammad Nauman (on behalf of Mr. Muhammad Ahsan):

Is the Honourable Member for Railways aware of the fact that the posts of Platform Ticket Booking Clerks on the Howrah Division, East Indian Railway, have always been filled up by non-Muslims with the exception of one since their very creation? If not, what are comparatively the number of Muslims and non-Muslims appointed as Platform Ticket Booking Clerks during the period from 1933 to 1942?

The Honourable Sir Edward Benthall: No. As regards the second part, I regret I cannot undertake to collect the information for the period required as it will involve an unjustifiable expenditure of time and energy.

DISCRIMINATION BETWEEN MUSLIM AND NON-MUSLIM PLATFORM TICKET BOOKING CLERKS IN THE HOWRAH DIVISION.

297. *Mr. Muhammad Nauman (on behalf of Mr. Muhammad Ahsan):
(a) Is the Honourable Member for Pailways aware of the fact that all non-Muslims appointed as Platform Ticket Booking Clerks on the Howrah Division, East Indian Railway, during the period from 1933 to 1942, were absorbed as Number Takers, Train Clerks, Relieving Clerks, Assistant Booking Clerks, Ticket Collectors, and the Muslims were debarred from enjoying the same privileges?

(b) If the reply to part (a) be in the negative, does the Honourable Member propose to state the present posts of the Platform Ticket Booking Clerks

appointed during the said period in the said division?

The Honourable Sir Edward Benthall: (a) and (b). No.

DISCRIMINATION BETWEEN MUSLIM AND NON-MUSLIM PLATFORM TICKET BOOKING
CLERKS IN THE HOWRAH DIVISION.

298. *Mr. Muhammad Nauman (on behalf of Mr. Muhammad Ahsan):
(a) Is the Honourable the Railway Member aware of the fact that the Divisional Superintendent, East Indian Railway, Howrah, has now prescribed tests and departmental examinations for Muslim Platform Ticket Booking Clerks for the posts formerly given to non-Muslim Platform Ticket Booking Clerks irrespective of their qualifications?

(b) If the reply to part (a) be in the negative, does the Honourable Member propose to state the tests, departmental examinations and academic qualifications and the former posts of non-Muslim Platform Ticket Booking Clerks who were appointed on the Howrah Division during the period from 1933 to 1943 and who have now been absorbed in posts carrying the scales of Rs. 30—3—45

and 30-3-45-5-60?

The Honourable Sir Edward Benthall: (a) I have called for information and a reply will be laid on the table of the House in due course.

(b) I regret I cannot agree to collect the details, as it will involve an unjustifiable expenditure of time and energy.

DISCRIMINATION BETWEEN MUSLIM AND NON-MUSLIM PLATFORM TICKET BOOKING CLERKS IN THE HOWRAH DIVISION.

299. *Mr. Muhammad Nauman (on behalf of Mr. Muhammad Ahsan): Is the Honourable Member for Railways aware of the fact that the Muslim Platform Ticket Booking Clerks appointed on the Howrah Division, East Indian Railway, during the period 1940 to 1942 have not yet been absorbed in the same way as their predecessors, though they have passed the departmental examination as required by the Divisional Superintendent, East Indian Railway, Howrah?

The Honourable Sir Edward Benthall: I have called for information and a reply will be laid on the table of the House in due course.

RECRUITMENT OF MUSLIM AND NON-MUSLIMS ON BENGAL AND ASSAM RAILWAY.

†300. *Mr. Muhammad Ahsan: Will the Honourable Member for Railways be pleased to state the number of Muslims and non-Muslims recruited in permanent and temporary vacancies on the Bengal and Assam Railways during June 1941 to June 1942, and July 1942 to January 1943, separately?

The Honourable Sir Edward Benthall: I have called for information and

a reply will be laid on the table of the House in due course.

PROMOTION OF CERTAIN RELEGATED SECOND DIVISION CLERKS AS ASSISTANTS IN THE POSTS AND TELEGRAPH DIRECTORATE.

301. *Maulvi Syed Murtuza Sahib Bahadur: (a) Will the Secretary of the Posts and Air Department please state the sanctioned strength of the cadre of Second Division clerks in the office of the Director General, Posts and Telegraphs?

(b) Is it a fact that in 1938 certain Second Division clerks were relegated to the Third Division and counted against the same? How many of these were

Muslims and non-Muslims?

(c) Is it a fact that most of the Muslim relegated clerks were put on diary work and other purely routine duties, while many of such non-Muslim clerks were given dealing work?

(d) Have the Home Department been consulted in the matter of promotion

of these relegated Second Division clerks direct to the First Division?

(e) Is it a fact that direct recruits were employed in the vacancies created by the relegation of the old Second Division clerks? If so, how does the question of promoting the relegated clerks to the First Division along with the directly recruited Second Division clerks arise?

(f) Is it a fact that this question is actually being considered by the Director General's office without reference to the Home Department? If so, is it proposed to refer the matter to the Home Department in order that the interests of direct recruits nominated by the Home Department do not suffer in any way?

Sir Gurunath Bewoor: (a) 65.

- (b) 45 old Second Division clerks were counted against and not relegated to the newly re-constituted Third Division in 1938; they continued to draw their old Second Division scale of pay. 35 out of these were non-Muslims and 10 were Muslims.
- (c) No, Sir. After the re-organisation, five of the old Second Division clerks, of whom two are Muslims, were found suitable for unimportant dealing work and they were put on to do that work, while the remainder continued to perform routine duties.
 - (d) Yes.
- (e) The reply to the first part is in the affirmative but, as stated already, no one was relegated. The promotion of these men to the First Division will depend on their merit but the question as to whether they can be promoted to the new Second Division is under consideration.

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

Maulvi Syed Murtuza Sahib Bahadur: Is it a fact that in some cases merit is taken into consideration and in other cases seniority? If so, will the Honourable Member enlighten us as how these things are being conducted in his department?

Sir Gurunath Bewoor: There are orders that in the case of promotion to certain classes of posts the promotion should be by selection. In the cases of certain other posts promotion must be by seniority subject to the rejection of the unfit and the rules are followed in each case.

Mr. H. A. Sathar H. Essak Sait: In the promotions by selection, how are the interests of minorities protected?

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

* Sir Gurunath Bewoor: The communal recruitment rules do not apply to the filling of posts by promotion.

Mr. H. A. Sathar H. Essak Sait: I want to know whether there are any

special rules in this respect?

Sir Gurunath Bewoor: Not so far as I am aware.

Maulyi Muhammad Abdul Ghani: What is the result of the consultation with the Home Department?

Sir Gurunath Bewoor: The matter is under consideration. A decision has

not yet been reached.

DECREES BY POLITICAL COURTS IN BALUCHISTAN FOR ENFORCEMENT OF THE SALE OF WOMEN.

†302. *Qazi Muhammad Ahmad Kazmi: (a) Will the Foreign Secretary please state if it is or it is not a fact that the Political Courts in Baluchistan and other places give decrees for the enforcement of the sale of women under section 8 of the Frontier Crimes Regulation?

(b) Is it or is it not a fact that the enforcement of practices contrary to good conscience or public policy is prohibited by section 9 of the Frontier Crimes

Regulation?

(c) Is it or is it not a fact that leading Baluchis and others of Dera Ghazi Khan submitted a memorial to the Commissioner of Multan Division, Multan, on the 25th October, 1941, protesting against these practices?

(d) Is it or is it not a fact that the Commissioner refused to interfere in the

matter on the ground of its being an old custom?

(e) If the answer to the above be in the affirmative, do Government propose

to consider the advisability of stopping this custom?

The Honourable Sir Sultan Ahmed: (a) and (b). The Honourable Member's question is not of sufficient precision to enable a precise reply to be given. Presumably he is not referring to the ordinary legal processes that may be invoked, as with any other contract, to recover sums fixed as part of a marriage settlement, but rather to the possibility of a claimant securing custody of the person of a woman against her will by means of a decree under the Frontier Crimes Regulation. If this is so, it can be stated categorically that such a practice has for many years past been recognised as contrary to public policy and explicit orders exist both in Baluchistan and on the North-West Frontier that no woman shall ever be handed over to a man against her will by the decree of any court.

(c), (d) and (e). The Government of India have not yet received a reply to enquiries made from the Government of the Punjab in regard to the memorial said to have been submitted to the Commissioner of the Multan Division.

PENALISATION OF CALCUTTA RAILWAY STAFF AFTER RECENT AIR RAIDS.

†303. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member for Railways please state if it is or it is not a fact that the Railway employees in Calcutta stuck to their positions in spite of bombings by enemy exceptances on the 20th, 21st, 22nd and 24th December?

(b) Is it or is it not a fact that on the 24th December the Railway employees, finding that even the civil population was not safe from being bombed, approached their respective superiors for permission to leave the station for a very short time and for getting facilities to remove their family members to safer places?

(c) Is it or is it not a fact that though Government wanted evacuation of the non-essential population from the 'danger zone' since long, and though facilities had been provided for evacuation during the days of 'Burma raid', yet no such facilities were given this time and the request of the Railway employees was turned down?

(d) Is it or is it not a fact that due to this helpless condition and panic some of the staff absented themselves from their duties on the 25th and 26th Decem-

ber, 1942?

(e) Is it or is it not a fact that the staff already on the sick-list were not

granted any extension even on constitutional approachment?

(f) Is it or is it not a fact that a large number of persons on the East Indian, Bengal Nagpur, and Bengal and Assam Railways have been dismissed for abstention from duties? If so, what are their numbers?

(g) Is it or is it not a fact that the applications for re-employment have not been considered even when medical certificates were produced in support of the

applications?

(h) In view of the difficulties of the times in which the staff defaulted, do Government propose to consider the advisability of condoning the fault and to re-employ the staff and to save such a large number of men with their families from utter ruin?

The Honourable Sir Edward Benthall: (a) Yes, with a considerable number

of exceptions.

(b) and (c) I am aware that such statements have been made but cannot vouch for their accuracy. I would, however, point out that concessions for evacuating their families have been open to the staff for many months and the responsibility for any failure to take advantage of these facilities in good time before the bombing had actually started must primarily rest with the staff concerned.

(d) Some of the staff did absent themselves; I daresay out of panic.

(e) Staff have put forward sickness as a reason for their extended unauthorized absence and such cases are looked into with the utmost care to see if the excuse is acceptable.

(f) 1,132 employees of the East Indian Railway, 3,736 employees of the Bengal and Assam Railway, and 589 employees of the Bengal Nagpur Railway.

were dismissed or discharged.

(g) When some of the men applied for re-employment, their cases were

carefully considered, and some have been re-employed.

(h) Government cannot excuse the conduct of staff who desert their posts in times of difficulty and who, therefore, deserve to be dismissed from the service, but each case will be looked into carefully to ensure that the action taken was fully justified.

Rules for determining Seniority of East Indian Railway Ministerial Staff. 304. *Mr. H. M. Abdullah: (a) Will the Honourable Member for Railways please state if any definite rules have been framed by the Railway Board for determining the seniority of the East Indian Railway ministerial staff in the various Divisions?

(b) Is it a fact that no Seniority List was published and circulated to the

staff in the Divisional Offices of the East Indian Railway till 1937?

(c) Is it or is it not a fact that in two Divisions of the East Indian Railway (Lucknow and Moradabad) different principles of determining seniority of clerks were adopted, i.e., in one Division the date of confirmation was the criterion for determining seniority and in the other the date of promotion was considered to be the basis of determining seniority?

(d) Is it a fact that the Lucknow Division of the East Indian Railway, while determining seniority of the clerical staff in the junior grade deviated from the general principles as laid down in the General Manager's Minute Sheet No. A.E. 21-78, dated the 22nd September, 1933, with the result that cases of super-

sessions cropped up?

(e) Is it a fact that the General Manager even accepting the deviation does not like to have the Seniority List corrected on a uniform basis?

(f) If the answer to (e) be in the affirmative, what are the circumstances under which supersessions are not being set right, and what steps have been taken to compensate the staff who have been superseded? If none, why?

The Honourable Sir Edward Benthall: (a) I am informed that the General Manager, East Indian Railway, has framed rules of general application for determining the seniority of non-gazetted staff.

• (b) to (f). I have no information on these matters of detailed administration. I shall, however, send the question and the reply to the General Manager, East Indian Railway, for such action as he may consider necessary.

Mr. Lalchand Navalrai. To whom should we address these questions, if not

to you?

The Honourable Sir Edward Benthall: These are matters purely of detailed administration, and if I may give my opinion, they should not be discussed on the floor of this House.

Mr. Lalchand Navalrai: May I, therefore, address these questions to the

General Managers?

The Honourable Sir Edward Benthall: Yes.

Anti-Corbuption Department on North Western Railway.

305. *Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that an Anti-corruption Department has been started on the North Western Railway? If so, what are its functions and whether he proposes to give a detailed statement showing the personnel appointed to this department with their salaries?

(b) When did this department start working, and what has been the field

of its activities?

(c) How long is it proposed to keep this new department going?

The Honourable Sir Edward Benthall: I regret I am unable to give any details of the measures adopted by Government to deal with corruption as it would not be in the public interest to do so.

Mr. Lalchand Navalrai: May I know if they are working like the C. I. D.?

The Honourable Sir Edward Benthall: I hope so.

PERCENTAGE OF APPOINTMENTS OF GOODS AND TALLY CLERKS ON NORTH WESTERN RAILWAY.

- 306. *Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways please state the percentage of Grades IV, III and II appointments of Goods and Tally Clerks, separately, on the North Western Railway?
- (b) If the percentage of Grades IV and III posts of Tally Clerks is higher than that of the Goods Clerks, what is the reason for this discrimination?
- (c) Is the Honourable Member aware that those Goods Clerks who are unqualified in their departmental examination are designated as Tally Clerks? If so, why are Tally Clerks to have larger percentage of higher grade appointments?
- (d) Is the Honourable Member aware that senior Goods Clerks are being superseded by the Tally Clerks, as the number of higher grade appointments of Tally Clerks is larger? If so, does he propose to make enquiries as to the steps taken to relieve hardship entailed on Goods Clerks by the present policy of the North Western Railway Administration? If not, why not?
- The Honourable Sir Edward Benthall: (a) and (b). I have no information concerning these details and regret cannot undertake to collect it under present conditions.
- (c) and (d). As I have said I have no information about these details, but I shall send a copy of the question and the reply to the General Manager, North Western Railway, for such action as he may consider necessary.
- Mr. Lalchand Navalrai: Will the Honourable Member ask the General Managers at least to send us replies to these questions when they are being sent from here, so that we may know what has happened and not trouble you again?

The Honourable Sir Edward Benthall: I am certain that General Managers

will always show the usual courtesy to Members of this House.

Mr. Lalchand Navalrai: They do not reply to us. We do not make any reference to them and we do not get any reply. It would be better in these days of war, if they can give us this information direct, nothing will be lost. Will the Honourable Member address the General Managers to that effect?

An Honourable Member: They are too high and mighty!

The Honourable Sir Edward Benthall: I am sending a copy of the questions and answers to the General Manager.

- Mr. Lalchand Navalrai: Will you do that with your recommendation, that we should get a reply from them direct?
- Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is not eliciting information. He is suggesting action. Next question.
 - Mr. Lalchand Navalrai: No, Sir. I am putting a question.
- Mr. President (The Honourable Sir Abdur Rahim): No. The Honourable Member is asking for action. Next question.

Non-observance of certain Railway Board Instructions regarding Promotions in certain Grades.

307. *Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that 503 Grade II posts were sanctioned for some 13 categories on the North Western Railway for relief from blockade in Grade I by promotion to Grade II in the newly created posts, under the Railway Board's letter No. 39 PA 113, dated Simla, the 16th September, 1941?

(b) Is it a fact that categories Nos. 11, 12 and 13 in the Railway Board's letter were (11) Sub-Divisional Officers' Clerks (12) Works Clerks and (13) Time

Keepers on Divisions?

- (c) Is it a fact that only the Time Keepers have been given relief in the scheme initiated by the Board under its letter referred to in (a) above? If so, why?
- (d) Has the General Manager any powers delegated to him by the Board to refuse to give relief to any category of employees, though specifically mentioned in the Railway Board's letter? If so, does the Honourable Member propose to lav a copy of such orders on the table of the House? If not, why not?

(e) Is it a fact that the staff in the three categories referred to in (b) are not borne on a common seniority list and their conditions of service are different? If the reply regarding different conditions of service be in the affirmative, does the Honourable Member propose to state the important points of difference?

(f) Is it a fact that Time Keepers have a channel of promotion to posts of Assistant Way Inspectors? If so, why are they being promoted as Clerks in

Grade II?

(g) Is it a fact that the Sub-Divisional Clerk, Sub-Division No. 2 on the Karachi Division, was promoted to Grade II in preference to Time Keepers on the plea that no common seniority list existed for Time Keepers and Works Clerks? If so, how has the seniority become common?

(h) Is it proposed to follow the Railway Board's orders referred to in (a) and give relief to all the categories of staff mentioned in (b) as sanctioned by the

Board? If not, why not?

The Honourable Sir Edward Benthall: (a) 503 grade II were sanctioned for distribution among certain specified categories.

- (b) No; the three categories mentioned were grouped together.
- (c) No; the second part does not arise.

(d) No; the rest of the question does not arise.

- (e) No; the three categories are borne on one common senjority list and their conditions of service are not different, except that certain time keepers retain certain additional privileges as personal to themselves. These are rentfree quarters, eligibility for promotion to Assistant Way Inspectors, and different scales of pay.
- (f) No; except certain Time Keepers who, before 27th August, 1928, passed the old local sub-way inspectors' examination and had officiated as such. The second part does not arise.

(g) I have no information.

(h) The Railway Board's orders are being followed. The second part does not arise.

Mr. Lalchand Navalrai: Does the Honourable Member know that all the time keepers have not passed the examination so that they may rise to be Sub-Inspectors? Why is the difference between clerks and the time keepers who are I think on a common seniority or they should be on a common seniority?

The Honourable Sir Edward Benthall: I would point out that the Honourable Member is quoting from an official letter from the N. W. R. dealing with purely administrative matters, to which the Honourable Member should not have had access. I have answered his questions on this occasion, but I should not propose to answer questions based on such official letters in future.

Mr. Lalchand Navalrai: I do not think this information was in any sense confidential. It is affecting these people. They got actual replies. I have also got a reply with reference to the time keepers. And how is it said that I should not make a reference to that? I had got a copy. Will the Honourable Member therefore withdraw what he has said?

The Honourable Sir Edward Benthall: Still I do not quite understand how the Honourable Member got a copy of the letter to which he refers.

Mr. Lalchand Navalrai: I got it from the General Manager's office. The letter is a reply to my question on this point.

Mr. President (The_Honourable Sir Abdur Rahim): Very well. Next question.

ALLEGED PROHIBITION ON THE STAFF FOR JOINING NATIONAL FEDERATION OF RAILWAYMEN.

308. *Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please refer to the information given on the 31st January 1938 (page 55, Legislative Assembly Debates) to part (c) of the unstarred question No. 148 asked on the 21st September 1937 (pages 2135-36, Legislative Assembly Debates) regarding joining Railway Unions and Federations by Railway Employees, viz., "So far as the State-managed Railways are concerned Government are informed that there is no such prohibition (against joining the membership of the National Federation of Railwaymen, Shahdara, Delhi)" and state:

(a) if it is a fact that during the year 1942 on account of the constitutional activities of the Federation by undertaking the institution of civil suits and applications under the Payment of Wages Act, the Divisional Superintendent and his subordinate officers are coercing and intimidating the staff offering for membership or those who are already members of the Federation, so much so that ultimately the staff is removed from service; if not, what is the number of the staff removed from service after recourse to the Court of Law; and

(b) if it is a fact that there is a prohibition for the staff for joining the National Federation of Railwaymen; if so, what is the nature of the prohibition?

The Honourable Sir Edward Benthall: (a) The reply to the first part is in the negative. As regards the second part, none so far as I am aware.

(b) The reply to the first part is in the negative; the second part does not arise.

UNSTARRED QUESTIONS AND ANSWERS.

RECRUITMENT OF TEMPORARY ENGINEERS ON NORTH WESTERN RAILWAY.

49. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state how many temporary engineers were recruited from the 1st January, 1942 to 27th February, 1943, on the North Western Railway and how were they recruited?

(b) What railway working experience do the selected candidates possess? If they possess no such experience, what were the reasons for their appointment to posts of temporary duration?

(c) Why were not these posts filled by promotion from amongst the senior

subordinates?

(d) Do Government propose to issue instructions that for purely temporary posts required for certain works, experienced hands from ranks appointed instead of selecting raw hands? If not, why not?

The Honourable Sir Edward Benthall: (a) Five; as regards the second part, the posts were advertised and the applications were dealt with by a Selection Board consisting of four senior officers who also later on interviewed the candidates and made final recommendations to the General Manager.

(b) Government have no information but the qualifications laid down did not prescribe any railway experience as being necessary. As regards the second part, it was considered advisable to fill these posts by outside recruitment as

suitably qualified employees were not available for promotion.

(c) For the reason given in the reply to the latter part of part (b).

(d) No; because subordinates suitable for promotion may not be available.

RECOGNITION TO PRIVATE PRACTITIONERS' CERTIFICATES.

- 50. Mr. Lalchand Navalrai: (a) With reference to the Honourable the Railway Member's reply to part (c) of my starred question No. 133, asked in September last, with regard to medical regulations on the North Western Railway about the acceptance of private practitioner's certificates being brought into line with the General Regulations issued by the Railway Board, will he be pleased to state what action has been taken in the matter to regularize the North Western Railway Regulations?
- (b) Is the North Western Railway Administration competent to issue Subsidiary Rules in conflict with the General Rules? If so, does the Honourable Member propose to quote the specific provision of rules authorising it to do ∙so?

The Honourable Sir Edward Benthall: (a) The matter is still under con--sideration.

(b) The reply to the first part is in the negative; the second part does not arise.

Increase of Work in the Divisional Offices on North Western Railway.

- 51. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether he is aware that the work in the Divisional Offices on the North Western Railway has considerably increased owing to general increase in staff on railways and other factors?
- (b) If the reply to part (a) be in the affirmative, does he propose to lay a statement on the table of the House giving figures of increase in the clerical staff in the Divisional, Extra Divisional and Headquarters Offices since the 1st January, 1942, separately, for each office?

(c) Is it a fact that the relief given, if any, is insufficient and that there are large arrears? If so, what steps are proposed to be taken to clear up the arrears?

(d) Is it a fact that owing to arrears of work in the Divisional and allied offices, the employees on lines are greatly inconvenienced, and what steps are proposed to be taken to save the general mass of employees from such inconveniences?

The Honourable Sir Edward Benthall: (a) Yes.

(b) The attached statement gives the information.

(c) The reply to the first part is in the negative. As regards the second part, necessary steps are taken to deal with any arrears that may arise.

(d) The reply to the first part is in the negative; the second part does not

arise.

Statement showing figures of temprary increase in Clerical Staff since the 1st January, 1942.

	Office				No. of persons.	Office.	No. of persons.
Divisional Sup	erint	enden	t			Chief Accounts Office, General	
Rawalpindi	•				18	Branch	. 20
Karachi					24	Traffic Accounts Branch .	. 101
Lahore					14	Workshops Accounts Office	. 51
Ferozepore					4	Stores Accounts Office .	. 43
Multan .					8	Divisional Accounts Office—	
Delhi .					15	Lahore	. 8
Quetta .					40	Ferozepore	. 3
District Contro	ller e	of Sto	res. M	0-		Delhi	. 8
ghalpura					5	Rawalpindi	. 7
Assistant Worl	s Ma	nager	(Sign	als)	4	Multan	. 5
Supdt., Mechan	nical	Work	shops		57	Karachi	. 4
Headquarters (143	Quetta	. 10

GRADES IV AND V STATION MASTERS ON NORTH WESTERN RAILWAY.

- 52. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state the number of the present Grades IV and V Station Masters on the North Western Railway?
 - (b). How is the promotion made to Grade V Station Masters' posts?
- (c) Is it a fact that Grade IV Station Masters are not freely promoted to Grade V? Is it proposed to allocate a percentage of fifty-fifty for promotion to Grade V Station Masters' posts from Grade IV Station Masters and Grade V Assistant Station Masters?
- (d) If the reply to the second portion of part (c) be in the negative, is it proposed to fix any other convenient ratio for promotion to Grade V Station Masters' posts, from among Grade V Assistant Station Masters and Grade IV Station Masters? If not, why not?

The Honourable Sir Edward Benthall: (a) There are five posts of Station

Masters Grade IV and nine posts of Station Masters Grade V.

(b) By selection generally from among Station Masters Grade IV and Assistant Station Masters Grade IV.

(c) There is no question of men in any particular grade being freely promoted to Station Master Grade V; the individuals have to achieve promotion by selection. As regards the second part, the reply is in the negative.

(d) The reply to the first part is in the negative. As regards the second

part it is not in the best interest of the Administration to do so.

PROMOTION OF ASSISTANT STATION MASTERS TO STATION MASTERS' POSTS ON NORTH WESTERN RAILWAY.

53. Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that promotion from Grades IV and V Assistant Station Masters' posts to Station Masters' posts on the North Western Railway is made in order of seniority and fitness?

(b) Is it a fact that the passing of Course T—7 at the Walton Training School is necessary before employees can be promoted to the posts of Grade V Station

Masters and above in order of seniority?

(c) Are employees sent up for training in Course T—7 in accordance with seniority or on some other principle? If so, what is that principle and where is the sanction for the same to be found in the Railway Rules?

The Honourable Sir Edward Benthall: (a) Posts of Station Masters Grade V and above are Selection Posts.

(b) Yes, ordinarily; the course is now called P-3, but as stated the posts are filled by selection and the Railway can exempt specially selected men from having to pass the course in the Walton Training School before promotion.

(c) Information is being secured and a further reply will be laid on the table of the House in due course.

AMENDMENT TO THE AJMER-MERWARA MOTOR VEHICLES RULES. Sir Gurunath Bewoor (Secretary, Posts and Air Department): Sir, I lay on the table a copy of the notification by the Chief Commissioner, Ajmer-Merwara,

[Sir Gurunath Bewoor.] No. F/14-6-III, dated the 3rd February, 1943, relating to rules framed under the Motor Vehicles Act, 1939.

by the Chief Commissioner, Ajmer-Merwara, dated Ajmer, the 3rd Notification February, 1943.

No. F./14-6-III.—The Chief Commissioner is pleased to make the following addendum to the Ajmer-Merwara Motor Vehicles Rules, 1940, published with his Notification No. 1141/34-W/38-III, dated the 12th June 1940, the addendum having been previously published in this Administration's Notification No. F./14-6-III, dated the 14th November 1942.

Chapter IV—Control of Transport Vehicles. For clause (c) of rule 4.18, substitute the

following :-

"(c) that the carriage or service of carriages in respect of which the permit is granted shall carry mails at such rates as the Provincial Transport Authority may, in consultation with the Postal Authorities, fix in that behalf from time to time.

> By order, M. S. CHAKRABARTY, Financial Assistant to the Chief Commissioner,

THE INDIAN FINANCE BILL-contd.

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

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, I shall continue my speech of the other day and deal first with the Indianisation of the army. I will presently show by an instance that there seems to be no intention on the part of the Government to Indianise the army. On the contrary, they are doing acts which mean going back on the policy which was declared to be the Government policy. I refer to a case in which the appointment of an Assistant Master in the Dehra Dun Prince of Wales Royal Indian Military College fell vacant and the advertisement which was issued seems to be by the Federal Public Service Commission. It says that applications are invited for the post of an Assistant Master at the Prince of Wales Royal Indian Military College, Dehra Dun. The qualifications required were an Honours Degree in Physics or Chemistry, preferably of Oxford or Cambridge. One cannot question why the college authorities were discriminating against the candidates possessing Indian qualifications. It appears therefore that Indian candidates have very little chance of being appointed, even if they possessed Oxford or Cambridge degrees, because I am told that what was required was persons of non-Asiatic domicile, that is to say, not Indians. Now, the House should consider whether this is a policy of Indianisation or not. Even these small appointments in the Military Department are being filled by persons who are not Indians and who are not Asiatics. Blood is thicker than water and it is that principle that is guiding those in charge of these appointments. The college authorities forget that the college is established in India, that it is maintained by Indians and is meant for Indians and that Indians should not be discriminated against in favour of non-Asiatics, not in the dominions and colonies of the but in India itself, every post of Assistant Master. $_{
m the}$ filling even inregard to have Therefore I justification for that Indianisation is not increasing at all. So far as the Army Department is concerned, I think I have put before the House sufficient material to come to the conclusion that there is no idea to Indianise the army. There have been so many appointments, permanent and temporary. We are entitled to know from the Army Department how many Indians have been taken up in these temporary appointments of which there have been so many, so that we may judge for ourselves and Government will also be free from reproach.

Next, I come to the question on the civil side. I will refer to the Department of Civil Defence and in that department matters are worse or rather they are not what they ought to be. There also, you see the Europeanisation of the services and not Indianisation. Fortunately, I have the Government of India Directory here and I find the appointments on page 4. There are 23 appointments in that department. To begin with, there is the Director General, who is a European. Then, we have a Joint Secretary who is also a European. The Assistant Secretary is also a European. There is another Assistant Secretary who is also a European. The Director of Operations and Training is also a European. The Supply Officer is also a European. The Fighting Adviser is also a European. The Central Chemical Adviser is also a European. I need not give their names. They are given in the Directory.

Mr. President (The Honourable Sir Abdur Rahim): Has the Honourable

Member got to read all the names?

Mr. Lalchand Navalrai: Only a few names are left and I may finish them. The Area Adviser for Madras is also a European. The Deputy Director, Intelligence, is a European. The Intelligence Officer is a European and so is the Publicity Officer.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member

need not read all the names.

Mr. Lalchand Navalrai: What I want to say is this. There are 23 officers on that list and only three officers are Indians. There is one Indian Assistant Director of Schools but he has retired and I do not know if in his place also a European has been appointed. So far as this Department is concerned, I do not want to take more time of the House but I must say this that this is the second department where Europeanisation and not Indianisation is going on.

Next I come to the Supply Department. Now, this is a very large Department and so many officers and junior officers have been appointed in it. I recognise that this is a new department and in the beginning there was some justification for not appointing the officers through the Federal Public Service Commission but they ought to be appointed through this Commission now. My submission is that it will give confidence to the public if they are appointed through the Federal Public Service Commission. Of course, the proportion has been fixed by the Government and that may go on. My only submission is that the appointments should hereafter be made by the Federal Public Service Commission. That will remove the blame because it has been said from time to time that in this department appointments are made by favour and through influence. If these appointments are made through the Federal Public Service Commission, there will be no such blame attached to them. I want that no officers should be taken by partiality or favour and I hope Mr. Mackeown will be vigilant on this point and see that the appointments do not go in a manner which is objectionable. Sir, with regard to this Department, the Muslim League say that sufficient appointments are not being given to the Mussalmans. I have no complaint against the percentage that has been fixed for them but they should not get appointments over and above that percentage. The other day Mr. Mackeown gave the proportion of appointments and so far as I could understand the Muslims have been given 41 per cent. instead of 25 per cent. My point is that the Muslims should not get more than their share.

Mr. Hooseinbhoy A. Lalljee (Bombay Central Division: Muhammadan

Rural): Even on merits?

Mr. Lalchand Navalrai: If the appointments are made on merits. I will be so happy. Then the whole trouble will be removed. Every day there are so many questions in the Assembly as to how many appointments are given to the Muslims and how many to the Hindus. Why not leave the whole field to those who are qualified for these appointments? My point is that the appointments should be made in a manner that both parties may remain satisfied. That can be done only when you follow strictly the rule of proportion that is fixed.

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): That

is our complaint also.

Mr. Laichand Navalrai: That should be corrected. Then, I want to draw the attention of the Department to another thing. If any persons are being taken from another community to supersede the Hindus or any other persons,

[Mr. Lalchand Navalrai.] then I take very strong exception to it. I have been given the names of those persons who have been superseded in that Department; but I do not want to trouble the House by reading them out. But I have a list which I will send to Mr. Mackeown to consider. If really some persons have teen superseded, then it is a wrong policy. I want to say nothing more about

this department. This is a department which requires scrutiny. This is a department in which so many appointments are made and there are so many considerations....

Mr. President (The Honourable Sir Abdur Rahim): Honourable Member should bear in mind that there are other Members also who are unxious to speak.

Mr. Lalchand Navalrai: I won't dilate on that point any further.

I now come to the Department of Education, Health and Lands. I do not find the Honourable Member in charge of this Department here but I will draw the attention of Mr. Tyson to one thing, namely, the requirements of the research institution on sociology. I may submit that in February 1937 a memorandum was received from Sir Francis Younghusband, an ex-President of the British Sociological Society and President of the Indian Village Welfare Association at Whitehall in regard to a very widespread trouble and appreciation of the urgent need for promoting wider and more practical facilities for study and training in the problems of public administration, especially in relation to social science and service. This memorandum was shelved till 1940. When Sir Girja Shankar Bajpai became the Education Member he then took up the question with the Central Advisory Board of Education and in May 1940 appointed a Committee presided over by the Honourable Sir Maurice Gwyer, the Vice-Chancellor of the Delhi University, to report on the memorandum.

Mr. President (The Honourable Sir Abdur Rahim): What the Honourable Member is reading from?

Mr. Lalchand Navalrai: Sir, I am reading from the facts I have got.

Mr. President (The Honourable Sir Abdur Rahim): Is Honourable Member reading from some pamphlet?

Mr. Lalchand Navalrai: Sir, I am reading from my own notes. I have got some pamphlets also, but I am not using them at all. This Committee recommended that this Central Research Institute should be paid rupees seventy-five thousand or one lakh and also recommended that Provincial Government may also be approached to make some beginning in the direction. I say no provision for such an institute has been made in the Budget estimates that has been presented to this Honourable House. On the other hand, my own information is that the report has been shelved for lack of funds and the Department of Education has, I believe, to appoint few educational officers to collect information from social services agency in the country.

Now, Sir, I have got my own notes and as the Chair does not want me to say anything about them, I will only satisfy myself by saying that His Excellency the Viceroy has shown his appreciation for the establishment of such an institute. Lately, the Honourable Member in charge of Education, Health and Lands gave an address at Lucknow and in that he has also appreciated it and has shown that this is an institution which has to be established. Now, the only difficulty that the Government has is of funds. In these war days for every thing it can be said that it cannot be done on account of the war. Now, Sir, all these Departments of the Government of India are going on and other institutions are going on and several other industrial institutes are going on and studies and training are going on. Why it should be that this should be postponed. I ask the Honourable Member in charge, the Becretary of the Department of Education, Health and Lands, to give his utmost attention to this. This is a very important point. This institute will impart a very important study and training which will do very great service to

India. Therefore, Sir, I would say nothing more on that point, but would only urge upon the Government that it should be done as early as possible.

Next I come to the most important and very necessary question relating to political issues and which to my mind as well as to other Honourable Members is of a great political significance. There are some other important. questions with regard to food situation, police excesses and repressive policy of the Government: but as these questions have already been discussed different occasions and I had spoken on them I will not repeat them again. These are the questions that have been taken up by almost every Honourable Member of this House. I simply want to request the Government to give their serious attention to all these questions. Now, so far as the question of removal of political deadlock is concerned, I read in the newspapers suggestions which are being made from several quarters that the deadlock must be removed. But I think the best suggestion is the one which has been made in this House and it is this: that the Treasury Benches should enter into negotiations with the important political party, I mean the Congress Party, and that cannot be done unless and until the Congress people and Mahatma Gandhi are released and allowed to consult other persons and their own Working Committee members—I think that is the only solution at present. It has been said by several speakers that Mahatma Gandhi is ready to review the whole position. If it is so, then throw the whole burden on him and see if he is going to do it hereafter. Government should not be adamant because an attitude of that sort is likely to prove harmful to the country and to the war efforts as well. In this connection I would like to draw the attention of the Honourable the Army Secretary to the classification of two persons. These two gentlemen are of a very good character and are practising advocates. They have been sent to jail under the martial law as at present martial law is being administered in Sind Province. The names of thesegentlemen are Mr. Sheroomal and Mr. Menghraj. They have been given no class at all, but still they are being treated as C class. I have already brought to the notice of the Army Secretary and I hope that no time will be lost in giving these gentlemen a class according to their status. First objection was that martial law does not give any class, then when I put questions here the other day I was told that Martial Law courts have got power to give class at their discretion. I am, therefore, submitting that that ban having been removed these gentlemen who are rotting in C class should be given either class A or class B.

After this I proceed with two local questions with regard to Sind. first of these two is a central subject and I would like to draw the attention of the authorities concerned to it. It is in connection with the phone trunk line in Sind. On the western side of Indus from Ruk and via Larkana to Kotri station we have got trunk phone connections all round except the portion to which I have alluded. It is a matter which is agitating the minds of the public of that area. Officers also know that a general phone line has been created all through for the purpose of war. I do not think it right that this portion of the country should be excluded. It should be realised by the authorities that this portion is on the border line of Baluchistan and Afghanistan. Therefore this portion should also be connected with phone line. Generally people come from those borders and commit offences and it is the more necessary that there should be a phone connection, because these people at this time when the war is going on are creating another war there. Sir, so far as this demand is concerned I hope the Honourable the Member in charge of this subject would give attention to it. I hope the Honourable the Finance Member who is giving so much money for these telephones throughout the country would also ask the Department concerned to do the needful. I would draw the Honourable the Finance Member's particular attention to this: and also of the Postal Department Secretary that when trunk lines are being established throughout the country this portion should also be included.

[Mr. Lalchand Navalrai.]

The next question is a long standing one, and that is with regard to the opening of a Broadcasting station at Karachi. Promises were given for the opening of a station at Karachi. But now the position is this. Machines and equipment have arrived. They had even gone to Karachi to secure a house. There is some difficulty with regard to a house. I submit many houses are available in Karachi and one of them can be easily secured. It is not necessary that a particular house alone should be secured. There should be no delay in opening the house. In this war, particularly there should be a broadcasting station opened early in Karachi. If it is opened it will give correct news to the public and the rural parts of Sind.

Now, Sir, I will say a word with regard to dearness allowance.

Mr. President (The Honourable Sir Abdur Rahim): There are many other

Honourable Members wishing to take part in the debate.

Mr. Lalchand Navalrai: I submit I have been within limits. Others have taken more time. Anyhow, I shall conclude soon, if I am not subject to interruptions. With regard to dearness allowance, I will only say that it

should not be delayed any longer.

Now, Sir, a word with regard to the Archaelogical Department. I have seen that several questions are put regarding this Department. It has become a hardy annual from Muslim League to hear complaints against this Department and its head. In that connection, I have observed that Government have given very good and substantial reasons to show that there is nothing wrong there. However, as the matter has been going on like that, I say that most unjustifiable attacks have been made against this Department. The other day Dr. Sir Zia Uddin Ahmad referred to the case of one Mr. Puri. This gentleman was at one time given a warning under certain circumstances. That was a year ago. Now, he has been given his due place. Now it is being asked why he was given his due place, because once he was condemned. Is it suggested that once a man is condemned, he should be condemned for all times? In this way no one can rise. If he is a competent man, if he is selected for that post, there ought to be no grouse.

In conclusion, I must thank the Chair and the House for giving me an

opportunity to place my points before the House.

Mr. J. A. Mackeown (Government of India: Nominated Official): Sir. I rise early in the debate to reply to certain points raised in the Marathon race executed by my Honourable friend Dr. Sir Zia Uddin Ahmad. While he was passing through the pleasant pastures administered by the various Departments of the Government of India, it occurred to me that when he came to the Suppiv Department's parks his race had become a crawl and he was more interested in assailing the late Member of the Department than in getting on with the race. Sir, the late Member of the Supply Department, Sir Homi Mody, is no longer in a position to answer those attacks and as some of them are most unfair and misleading, it falls upon me to explain the correct position. The first complaint made by Dr. Sir Zia Uddin Ahmad was that the percentage of Muslims employed in the Department fell from 30.7 to 12.5 per cent during Sir Homi Mody's tenure of office,—a very serious charge. The next morning after he had made that statement, which had already received considerable publicity in the Press, Dr. Sir Zia Uddin Ahmad admitted that this charge related to a very small office, the Controller of Supplies office at Bombay. It applied to a grade of some 27 clerks out of a total of 5,000 clerks employed by the Supply Department. Now, the correct position is as follows. Actually the fall in one grade in that small office affecting 27 clerks was this. Between the 1st August 1941 and the 1st October 1942, the percentage fell from 30.7 to 14.8 per cent. Now, Sir, there are two points about that. The first is that the total percentage of Muslims employed had decreased—these are routine clerks—but in the higher grade clerks, the percentage of Muslims has increased during that time from nought to 10.7 per cent. This increase occurred in the higher grade clerks, despite the fact that under the new proportional distribution, the percentage of recruitment in Bombay of Muslim clerks is to be only 8½ per cent, so that with 10.7 of higher grade clerks, the Muslims are doing quite well. I do not really understand why this crice should have been taken as an example when there are other offices employing up to 1,500 or 1,000 each, under the control of the Supply Department whose total staff of clerks is over 5,000. To concentrate on this small office with 27 clerks shows a certain lack of proportion. During Sir Homi Mody's time, the Muslim percentage in the Supply Department's officers rose from 11.3 per cent to 14 per cent. Although there was a fall among Muslim clerks from 24 per cent to 20.6 per cent—it is of practically the whole of the Supply Department that I am talking, with 5,000 clerks, and the fall in this case is from 24 to 20.6 per cent—yet nonetheless, the number of Muslim clerks actually employed rose from 641 to 1,067, an increase of 426. Sir, with these figures before the House, I hope it will be able to judge whether it is fair to accuse Sir Homi Mody of reducing the Muslims employed in the Supply Department by about 60 per cent.

Now, Sir, the next charge was that the Chairman of none of the five Selection Committees in the Department is a Muslim. I remember I interjected that the Honourable Member was only 40 per cent wrong in making his various statements about these selection committees, and when I examined the facts more at leisure, I was surprised at my own moderation in accusing him of only being 40 per cent inaccurate. How he arrived at the figure of five selection committies I do not know. There are in fact in the Supply Department three Selection Committees for officers and about eight for clerks. In the case of Selection Committees for officers they are presided over by high officers, who in Delhi and Calcutta are Joint Secretaries to Government, and in Bombay, the Controller of Supplies. It is true that none of these officers happens to be a Muslim, but Dr. Sir Zia Uddin Ahmad conveniently overlooked the composition of the rest of these committees. In Delhi and Calcutta, we have officers on special duty for recruitment and they are members of the selection committees of three. In Delhi, the officer concerned is an ex-Member of the Public Services Commission and happens to be a Muslim. In Calcutta, he is an ex-Member of the Indian Educational Service and he is a European. These two are Members of the selection committees, and the third member is generally a technical representative from the Directorate or the Branch for which recruitment is being made. In fact, the Committee could in certain cases consist of two Muslims, although the Chairman would be a non-Muslim at present, and if the Honourable Member insists that the Chairman should always be a Muslim. I can only say that he reminds me of the memorable lines of Louis Carroll:

> "I'll be judge, I'll be jury, Said cunning old Fury."

In Calcutta the Selection Committee for officers is similarly constituted of three, and the officer on special duty happens to be a European. In Bombay the Committee is also of three, and one of its members is always the holder of an office who at present is a European, although I cannot guarantee that he will always be a European.

Turning to the Selection Committees for clerks, they are composed in Delhi of two Under Secretaries and an Assistant Secretary in the Main Secretariat, and two Deputy Secretaries and an Assistant Secretary in the Directorate-General of Supply, of whom the Chairman is the senior member and happens to be a non-Muslim, but each of these Committees has a Muslim member, that is to say 331 per cent which, I think, satisfied any rule of communal representation. Sir. I do not want to bore the House with details of all these committees, but I think, I have said enough to satisfy the House that the composition of these Committees is such that there is no bar to any Muslim being a member of them that Muslims are actually members of them, and that there is no reason why when certain higher posts happen to be held by Muslims, Muslims should not be Chairmen of those committees.

[Mr. J. A. Mackeown.]

There is only one more point I would like to make on this matter of selection, and that is that the Controllers of Supplies outside Calcutta and Bombay do their own selections for appointments with the aid of another officer. Those Controllers of Supplies are four in number and at the present moment three of them are Muslims. That point of course was not mentioned by Dr. Sir Ziu Uddin. I will now leave this question of staff and communal proportions on which I have said more than enough, I hope, and deal with other points raised by Dr. Zia Uddin.

The first point is that he accused the Supply Department of encouraging the manufacture of tents in Bombay, whereas he suggested that it should provide dosuti from Northern India to expand tent production in Northern India. He asserted that the Supply Department was trying to allege shortage of transport as a reason for developing tent production in South India at the expense of North India. Now, what are the real facts? The real facts are that all the dosuti produced in Northern India is already being used for tent production there, and, as there is a surplus of dosuti in Southern India, the tent-producing capacity is being developed there and not in Northern India. Obviously it would be wasteful to transport surplus dosuti from Bombay to Northern India for increasing tent-producing capacity in Northern India. It is not a change of capacity that is in question but an expansion and if it has to be expanded, it should be expanded near the source of the dosuti.

He then alleged that textile mills are allowed a double profit on making tents, i.e., first on dosuti and then on the tents, and complained that in the case of leather manufacturers a similar double profit is not allowed on tanning and then on making the leather article. The answer to that question is that dosuti -is a standardized mill product for which there is a uniform all-India price and dosuti is issued in large quantities to tent makers who are not themselves makers of dosuti. Now if a tent maker happens to make dosuti as well, there is no reason why he should not get a further profit on tent-making. It is not possible to conceive that we should have a different arrangement with tent-makers who make their own dosuti, and with tent makers who do not make their own dosuti; it is much simpler to have the same arrangement with all makers of dosuti and with all makers of tents. The only complaint that could possib'y be made is that the same principle should be applied elsewhere. When we come to the leather manufacturing industries we find that the boot industry is the one principally concerned. In the case of the boot industry, the boot manufacturers tan their own hides, and there are no standard hides like there is standard doruti, and therefore the arrangement with the boot manufacturers is the same as with the manufacturers of any other finished product, that is to say the price negotiated with Government is the cost based on the cost of the finished article, no matter how many intermediate processes there are. The boot manufacturers really have no grouse because they get their profits calculated on their total costs and in those total costs the cost of all such tanning as they may have to do is naturally included. Again, the real thing that matters is the amount of profit that is allowed on their total costs, and that is settled in negotiation between Government and the manufacturers. So, I hope, I have shown that there are good reasons for what, at first sight, appears to be a differentiation but which in actual fact falls in with the principles which the Supply Department uniformly applies throughout industry.

The next question was the accusation that the Supply Department had stopped the export of hides and skins without consulting the Commerce Department. That really was a most remarkable accusation because the notification prohibiting the export was actually issued by the Commerce Department.

Then the learned Doctor asked if the Supply Department was satisfied that all the surplus hides and skins which used to be exported are now being used for purposes of war production and will be required for war production in

the future, so that it is still necessary to stop the export of hides and skins. On the point I am glad to say that there is something of substance to report to the House and that is that, owing to large reductions in the demands for finished leather goods, particularly boots, it is possible that there may be reasons justifying a change in our policy regarding the export of hides and skins, and we have put an officer on special duty to enquire into the situation and when we receive his report explaning the position regarding the demands for finished goods requiring leather in future and the supply possibility of finished leather, we will re-examine the whole matter and see if any alterations in the export order regarding hides and skins is justified.

My last point is that the learned Doctor revived the old canard that the Grady Mission had recommended the establishment of a Department of Production. He did not deal with the merits of a Department of Production which have already been very fully covered in debates in this House, but his assertion that the Grady Mission recommended the establishment of a Department of Production also keeps on popping up in the Press. I would like once again to say categorically that the Grady Mission did not recommend the

establishment of a Department of Production. Their recommendation was in much more general terms, recognising the importance of production and suggesting that the whole question needed examination and suggesting possible methods of meeting the needs. I do not think I am giving away any secret, or anything that I should not give away, when I say that the Government of India set up the War Resources Committee of Council in answer to this recommendation of the Grady Mission, and that Dr. Grady actually sent a telegram of congratulation to Sir Homi Mody when he heard of the establishment of this Committee. Sir, I have finished

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, I find that between the presentation of the last Finance Bill and this Budget, there has been no substantial change, or even any change, in the attitude of the Government towards the Muslim League, and as far as the political situation was concerned, we think it was up to the Government to have taken the representatives of the people into their confidence. It looks as if the Government think that they can carry on the work themselves without having the active cooperation of the people. It is then for us to decide whether we should lend any more help than what we gave last year. We have, therefore, come to the conclusion that under these circumstances it is not possible for us to vote for any extra expenditure or taxation of, our people, when we have no voice in the expenditure.

The Government, I am glad, think that the situation as far as the military position is concerned has changed a lot in favour of the Allies. We will be glad if even without our help the Government and the Allies can win, but I am sure that the help and efforts in the country which would have been possible with the co-operation of the people, and which is not forthcoming now, will not be forthcoming at all until the attitude of the Government is changed.

Sardar Sant Singh (West Punjab: Sikh): Will you oppose it or remain neutral?

Sir Muhammad Yamin Khan: When we do not agree to taxation it means that we are opposing it. If my friend exerted his common sense he could have understood the position very well.

Besides this political situation, the Government have made a lot of blunders within the last year and therefore they cannot expect us to endorse their deeds by voting for these extra expenses in the Finance Bill.

Let me take one question which concerns, not the Government, but the entire public of this country. The control system brought forward by the Government has hopelessly failed. They have administered control in a very unsatisfactory manner by appointing inefficient people who could not effectively carry out the intentions of the Government.

Sir Abdul Halim Ghuznavi (Dacca cum Mymensingh: Muhammadan Rural): What is the control system you are referring to?

Sir Muhammad Yamin Khan: If the Honourable Member listens to me he will know. The trouble is due to the fact that the work has been entrusted to people with no experience and out of touch with the public. All that they do is to sit at their desks and issue silly orders which mean nothing and which cannot effectively achieve the results wanted by Government. The difficulties of the public can only be understood by those who are directly in touch with them and not by people who go to office in the morning, come back in the evening by 7 o'clock, then have a small dinner or cinema party and the next day start the same routine. Such people cannot understand the feelings of the people, because here it is not only the classes but the masses of the people who are suffering, and what tactics the dealers employ for defeating the objects of the Government are only known to those who are in direct touch with them.

Sir, wheat was controlled. It was said by Honourable Members last year that the prices had been fixed at eight seers to the rupee and that they would remain at that rate throughout the year. Now, why did the Government make a laughing-stock of themselves by purchasing at a higher price than eight seers? Now they are purchasing at three seers to the rupee, though at first they started purchasing at 6 seers to the rupee. Once the order was issued, they ought to have known how to control, where the wheat was. The whole wheat should have been controlled absolutely and the people rationed properly, but the ineffective methods employed by the Government brought calamity to the entire country. These methods have increased the expenses of Government in the way of dearness allowances, which would not have been if the prices of the commodities had been properly controlled. In spite of the prices of commodities going up by three or four times from normal, the poor people who can hardly make both ends meet are being asked to pay the same amount of taxes. That means really that you are asking them three times the taxes that they could afford to pay last year. Sir, as representatives of the people, we do not think that we can give our assent to any extra expenditure brought about by Government's own fault. The same state of affairs exists in the matter of sugar. The state of affairs exists in the little items required by the poor here and there. You might have seen this in many cases. It is a very well known fact that though the price of cement is ordinarily Rs. 2-12, in the market it is sold at Rs. 10 a bag and it is a notorious fact that some people were allowed to get extra cement, which was not required for Government purposes but which was taken in the name of the Government, and they sold it to the public at a high price. It was the black market and there was no control to see that people were allowed to take just what was required for Government purposes. The ordinary public were refused any cement, and those who had the ears of the officers got what they wanted from the Government and sold it at five times the price at which they got it from the Government. If conditions are like these, if some people are allowed to get an article from the Government and sell it at a higher price to the public, the fault is entirely on the Government for not keeping a vigilant eye on such people in an article controlled by the Government. After the public has been suffering in this fashion, does the Government expect us, representatives of the people, to come and say "You have done well; you have done such splendid work during the last year that we are perfectly satisfied with you and vote for Finance Bill." Can we do this? Our money has been allowed to be squandered; our money has been spent mercilessly, and is going to be mercilessly spent without proper control and we have to pay for it and vote for it. This

Another instance which I may bring to the notice of the Honourable the Finance Member where squandering is going on is this; it has come to our notice constantly, and if he investigates it, I am sure he will find that it is true: many officers are allowed cars at Government expense. Motor lorries and cars

are allowed in the departments and they are run at Government expense and even some responsible officers do not think that it is wrong to use that petrol and those cars to go for lunch to their homes and to distant hotels? Can you allow that? It is being done and if the Honourable Member inquires, he will know that it is true. This reminds me of an Indian proverb:

"Cho Kufr uz Kaaba bur Khezud Kuza Manud Musalmani."

Which means, if the kufr comes from Kaaba, where will Islam remain? Nowhere. If officers are allowed to do wrong things like this, it means they allow their subordinates to do greater wrongs. These scandals which have come to our notice are going on every day; it is not possible for us to keep quiet and not bring it to the notice of these officials who do not wish to investigate about them and who only sign blank chits for the money. I have come to know that many lorries have been taken by the Government at certain rates and handed over to a private contractor; God knows what this contractor gives to these lorry owners or how much he charges to the Government; but when he pays these people, it is debited to so many different things—repairs and other little things—they get very little: even the fact that the lorries were not used is debited to them. How are you controlling these things? When you take anybody's property into your possession, whether it is used by you or not, you have to pay for it. It will be found that sometimes the Government has paid double the amount in hire of what the lorry is worth. Why do you not straight-away purchase these lorries? If a lorry was available for Rs. 3,000, you have already paid the man more than Rs. 3,000 and you have to return his lorry in addition! This was never considered by the Government last year, although we brought it to the notice of the Government that this kind of squandering was going on. We have come to know other things too, and if the Honourable Member starts an investigation, I will call for direct evidence where some high officers have been guilty of gross misconduct in this respect in getting lorries and doing this, and if their bank accounts are shown, if the ledgers of the contractors are taken, the Government will find great revelations. . . .

The Honourable Sir Jeremy Raisman (Finance Member): I trust the Honourable Member is prepared to give specific details of general charges of this kind. Sir Muhammad Yamin Khan: Certainly. I had given one last year, and I can give one just now; and if the Honourable Member is ready to institute an investigation there will be hundreds which will come before him. . . .

The Honourable Sir Jeremy Raisman: I am always ready to institute investigations into matters of that kind.

Sir Muhammad Yamin Khan: On one occasion the lorries were taken by a certain officer—I avoid giving the name—but I shall give the place and the Honourable Member will be-able to get the name of the officer concerned. They were taken in Meerut last year from different people at a certain rate. Then the rates were changed in favour of certain other individuals who approached a certain other officer who sat in Dehra Dun; and the officer in Dehra Dun cancelled all the contracts given in Meerut and gave it to another man from Delhi at a much higher rate than what the people in Meerut were originally offered. The Meerut people got Rs. 10 or Rs. 12 or at the most Rs. 13 per day. The Dehra Dun man came and the contract was given for hundrdeds of lorries on very flimsy grounds at as much as Rs. 15 a day. If the Honourable Member wants to inquire why this extra expenditure was allowed and why contracts were not given to the original people at Rs. 10 a day and why it was given to others at Rs. 15 a day, he will probably come to know the real truth behind it

I shall not go into details which have already been touched upon in the last debate this Session about wheat and other articles and about the inefficiency in controlling small coins. But I will say this: the general idea has been allowed by the Government to prevail in the country that the value of your currency has depreciated to such an extent that the prices of all commodities have gone very high. We know that this is due entirely to want of confidence which the people

[Sir Muhammad Yamin Khan.] have not got in the Government. And still Government does not want to create confidence in the minds of the people. This means misery for the people of this country. Let me again come to contracts which are given for military purposes. Take, for instance, camouflaging nets, and there are many other examples also. People got contracts for supply of camouflaging nets. How much are you paying? Have you ever investigated for how much the contractor has given sub-contract to others? You allow practically 50 per cent. to go into the pockets of the contractor. The man takes the contract at Rs. 100 and gives the sub-contract for Rs. 50 for the same commodity which is purchased in the market. The balance of Rs. 50 goes into the contractor's pocket. This shows that the price was not properly fixed by you. You are paying double of what you should have paid. The Honourable Member ought to know that British manufacturers, when they appoint agents here, give only 21 per cent. as commission to people who are middlemen ordinarily. In the case of some agents they allow about 5 per cent, but big firms never allow more than 21 per cent.

Sir Abdul Halim Ghuznavi: One per cent.

Sir Muhammad Yamin Khan: But here you allow your agent between 50 per cent. and 20 per cent. commission. The Honourable Member ought to know from the Income-tax Department how much money these contractors have made by their contracts, what percentage they have made. My Honourable friend may say, look here, I have got back the bigger portion through the income-tax. But I say it creates a vicious circle. Why was this man allowed to make this money, some of which still remains in his pocket? Excess profits tax is only after 30,000. The point is the man has made so much money. That means that the commodity is available in the market at a very reduced price. If you had allowed 5 or 10 per cent. to the man who carries out your orders, that would have been quite sufficient. If a man had three turns on his money and if you allowed him 5 per cent. he could get 15 per cent, net profit on his investment. But here you allow 15 per cent. on each turn, which means that in three turns he will make 45 per cent, as profit in the year. Not only this. Every man who is given a contract—I think the whole policy should be that if a man has given a sub-contract to anybody else, that sub-contractor should be changed into a contractor, and the contract of the main contractor should be determined, should be stopped at once. If on investigation it is found that a man has given a sub-contract to somebody else, then you should allow the main man only two per cent. and not more. That will reduce the cost of your Supply Department, and I am sure that the deficit which the Honourable Member has shown—the greater portion of it could be made up by controlling the expenses rather than by increasing the taxes, and my Honourable friend would not have to increase the taxes. Where Government is exercising proper control, it is in the case of one matter only, and there it is doing the greatest injustice to some people. The Government have begun controlling the house rent. What is this? The rent which was prevalent in 1938 and 1939 is to remain in the New Delhi area, and the house owners should not get more than that. But you ignore the fact that your money has depreciated from 16 annas to 6 annas, and still the man is allowed to get only the old rent and no more.

Mr. Hooseinbhoy A. Lalljee: It is in Bombay also.

Sir Muhammad Yamin Khan: I am talking here about the Government of India. The Government of India are not concerned so much with the city of Bombay. The cost of repairs has gone up, prices of commodities have gone up, everything has gone up in price, your currency has lost its value, and still you ask people to charge only the old rent and no more. The latest addition to the house rent control rules, which is amusing, is this. Even the business premises should have their rent fixed. The business people in New Delhi are making tremendous amounts of morey. What they stocked in 1939 or 1940 for one rupee they are selling at Rs. 20 or 30, but you say that.

though they are making a lot from the public, they should not be made to pay some thing extra to the landlord.

Mr. Hooseinbhoy A. Lalljee: Poor landlords.

Sir Muhammad Yamin Khan: Certain of them are poor landlords, who depend entirely on the rent they are getting.

Mr. Hooseinbhoy A. Lalljee: I say they are poor.

Sir Muhammad Yamin Khan: Where control is necessary in the interests of the public, you do not do it at all, but where the Government officials are concerned, you provide that they should not pay more rent. The whole concern of yours seems to be to save the official from paying more. The anxiety of the Government is not to save the public from suffering but that the Government official should not suffer. That is the policy which I am criticising now. If all the commodities are controlled, then I do not mind your controlling house rent also; certainly no man should be allowed to charge a penny more than he is entitled to. But the control of rent of business premises is ridiculous when you start with 8 seers of wheat per rupee and you go down to 3 seers per rupee, you start with 4 or 5 annas a seer of sugar, and you come down to 6 annas a seer, your cloth which was being sold-ordinary khaddar, which was 2½ annas is now selling at one rupee. We have been hearing during the last year that our industries are increasing. Where is the increased industry so far as cloth is concerned? Where is the poor man to get the cloth to wear? He cannot find cloth in the market; if at all there is any market, there is the black market. People have collected their stocks, they bring them out bit by bit because they know that your mills are not manufacturing, you are not controlling your mills properly. You ignore the miseries of the people. That has been your outlook, and we cannot in honesty, with our eyes wide open. sit idle and allow Government to have its own way. As far as our voice can go, that can only go by rejecting the Finance Bill.

The other day, my Honourable friend, Sir Cowasjee Jehangir, dealt very ably with a subject which is his own and not mine, but I can point out as a layman that the policy which was adopted by the Government in coming to a financial settlement behind the back of this House was entirely wrong. The Honourable Member can say "It is here before you" but what can we do? We have no voice to alter it. If we cannot alter it, then it has been carried out behind our back. Anything which is unalterable and over which this House has no voice cannot be acceptable to this House, even if the proposals are very good, because we cannot say that we have examined them and found them quite correct and good. If a representative committee of this House is appointed and they go into all the details and if that committee come and tell us it is all right, then certainly we would endorse it. But in the menner in which you have done it, it is not possible for us to endorse this arrangement. From the literature which we have got from other sources, we find-that this arrangement is really detrimental to the interests of India and it is not really for the good of India. We are left in this position that we cannot entirely accept the proposition placed before us by the Government, because the other side is still criticising it. Therefore, we cannot endorse it.

Now, Sir, India is one of the United Nations. We want it to be openly and categorically announced that India is one of the United Nations. We want to be told that India is not fighting as a subordinate country, at the will of some other country. We must feel that we are fighting for the freedom of this country as well as the freedom of the entire world. That ought to be made clear in such unambiguous language, that it will not have a double meaning. We do not want anything like the Balfour Declaration which may be interpreted in 20 different ways. We do not want anything like the Preamble to the Government of India Act which may be interpreted in different ways. We want the language to be very clear, so that it can be understood even by

Sir Muhammad Yamin Khan.] laymen. We want a clear and dennite declaration that India is fighting her own battle, for its own freedom. Certainly there is no one in this House or outside who would like a foreigner to come on the soil of this country. Every son of India will be prepared to lay down his life and property for the safety of this country, if he is assured that the battle is for the freedom of this country and that we are not fighting this battle to remain as slaves in future. If that assurance is not given now, then it will not be possible for anybody to believe that it will come after the war. It has been said by many politicians and high officials "Fight this war, defeat Germany and Japan and your freedom is assured". Well, we do not like a change of masters. If Japan or Germany attempts to set foot on the soil of India, then every one will fight in defence of his hearth and home but at the same time we want the liberty, the freedom of India. We want the declaration made in clear language, which may not be twisted and turned at a later date. The British Government may say "trust us". May I ask them whether they have ever acted in the past in such a way as to inspire trust in them? If that has been their conduct in the past, then how can they expect the people to accept their words in toto.

Now, Sir, I do not agree with the Congress attitude. From the very beginning, from 1919, I have never allowed myself to be a party to any excitement. I have never allowed myself to be swayed by momentary excitement. I think that Mahatma Gandhi is entirely wrong today in what he is doing. He was wrong then. I can never endorse his actions. He has done the greatest injustice to his people and greatest harm to his country by adopting the attitude which he has done. But there is one thing where it is difficult to disagree with him and that is when he says that he cannot accept the words of this Government. Well, how are you going to make him believe that you are sincere. Leave him aside. Have you got any other people who put trust in your words? Have you created trust in people minus the Congress? If you had done that, that at least will be something. Have you ever clearly said that the Government of this country is to be carried on by Indians themselves? If the Congress is not willing, leave them alone but trust the peopleother than the Congress and then they will come to know that you are sincere in your actions and that you mean business. Unless you do that, I am not sure that you will inspire confidence among the people. I am sure that even very staunch supporters of the Government, men who have been supporters and who are still supporters and who have got themselves tied up with the Government, even they are not convinced that the policy that the Government is pursuing is the right policy. You change your position and your attitude this year and you will find that it will be really taking a great step forward towards the achievement of victory. When I hear that we are getting so many lakhs of recruits in this country, I begin to think how pleasing these words must be to those who do not understand this country. I say you will get these recruits not only in lakhs but in crores when the happy day comes when the angle of vision of the Government is changed. It is Russia which is putting up the great fight today because everyone in that country feels that by keeping away the German aggression they are trying to keep their own freedom. Have we got that freedom here? All these recruits who are coming to you are coming because they want some money and not because they want to save their country. I think the greatest mistake which the people can make and which the Government can make is to be lured by the great figures of recruits which they are getting. These great figures of recruitment show me only this that people have got to fill their stomachs and, therefore, they are looking forward to this opnortunity of getting some sort of employment. The unemployed graduates and under-graduates and voungsters who cannot earn enough to make both ends meet are quite happy to be taken as recruits. Some of them enrol

themselves as officers, others as non-commissioned officers and some of them come in as mere soldiers. But that is not a nappy augury. That still shows to what depth India has fallen economically that its innabitants are ready to give their lives not for the sake of liberating their country but for the sake of earning a few rupees. If that is the attitude of the people, I do not think the Government has done justice to this country. They ought to create a feeling of enthusiasm. What enthusiasm has the Government created? A few officials of the Government sit together and they call those people whom they have given a contract. These people talk to the officials and they benefit themselves and then the whole thing comes to an end. I am not concerned with this sort of thing. I want every man to be ready to take up the cudgels on behalf of his country. People should be ready to defend their frontiers and give a fight to the aggressor wherever he may be found. In fact, they should be prepared to go to other countries also to defend this country. That feeling can be created only when the people of this country are taken into confidence.

Sardar Sant Singh: What do you propose?

Sir Muhammad Yamin Khan: I have already proposed what I wanted to propose. If my Honourable friend does not understand it, I cannot help it.

Now, Sir, I heard my friend, Mr. Navalrai, say that the Government should stop the deadlock. So far as this deadlock is concerned, I am not prepared to accuse the Government so much. Government has certainly a great hand in the deadlock which they have created, but the deadlock which my Honourable friend had in mind is a different one and there are some other persons who are responsible for it. Mind you, our Government consists of very shrewd people. They have created this deadlock very cleverly. They say if the members of the two communities unite, we will do this and that. If I were in their position, I would do the same. When I know that two persons cannot come to an understanding, I will certainly say that the moment you come to some understanding I will do everything for you. Certainly, British people are muchsuperior to us in the matter of diplomacy. When we ourselves do not cometo an agreement, why should they not take advantage of this position? Why do you blame them for creating this situation? Did not Mr. Griffiths say lest timein a clear voice that if the Indians come to an agreement and if after the war the British Government does not respect that agreement, then he will fight: on our behalf in the British Parliament? He was quite clear on this point. But in order to justify him do this, let the people of India first come to an agreement. We are very glad that men like Mr. Griffiths will come to our help and I hope he spoke on behalf of the whole European Group and the whole European community in this country when he said that whatever British pledges are, they will be carried out. If they are not carried out, it minimises the prestige of the British. Remember this is not the last war. Let us hope that there will be no more wars, but the Americans predict another world war. So, if the pledges of the British Government are not fulfilled entirely. then you will not find a single person in this country who will trust the British words. So, it is for the British people, who live in this country and who carry on their business in this country and who are also working as officials in this country, to see that whatever is spoken from above is properly carried out. otherwise it creates difficulties for the people who live here and who have to deal with the public every day. I was talking once to a man in Switzerland who was a German. He said that the British people are very clever. I said in business they are very honest. Why do you call them dishonest people? have never found any British firm altering their prices later on and I have always heard that British goods are very good and they are very honest people. "Yes, yes, they are very clever" he said, "as far as business is concerned they are very honest because they know it have them to be honest in business. But it pays them to be dishonest where the matters relating to Government

[Sir Muhammad Yamin Khan.] are concerned. Therefore don't trust the British Government but you can trust the British merchants'. Never trust the British officials. It may be that the non-official Europeans may think that at least they are trusted by the people of this country and that people have get some faith in their business dealing. I leave them there. But so far as the Government is concerned I may tell that unless they carry out their duties faithfully no confidence is likely to be created in the people's mind. The German who spoke to me in Switzerland about ten years ago read the British Government correctly and that feeling is entirely prevailing in this country. It will be a folly if you sleep over it and take no notice of it. All those people are your great enemy who say that you are doing right things when you commit a blunder. They are your greatest enemy. And your friends are those who tell you on your face that you are wrong. Unless you conduct yourself properly and correct yourself you will not have sympathy which I have got for you.

Now, so far as the deadlock is concerned, we consider it from a different point of view and not from the point of view of Mr. Lalchand Navalrai, who considers that Government should come to an understanding with the Congress.

Probably he meant people to be chosen from the Congress . . .

Sir Syed Raza Ali (Cities of the United Provinces: Muhammadan Urban): Mr. Lalchand Navalrai is an honourable man.

Sir Muhammad Yamin Khan: Certainly, he is, so was "Brutus"; I think it will be a folly if the Government tries to come to an understanding with people who are purposely creating deadlock and ignore other parties absolutely. Sometime ago there was a cartoon in the Hindustan Times depicting that His Excellency the Viceroy was having a sound sleep as if there was no anxiety for him in this country as a representative of the British Government. That sound sleep may not turn out to be the sleep of Rip Van Winkle. Man may grow old and his children may not even recognise him. That is not a proper thing. I think the Britishers have always been carrying on their duty honestly. Adaptability is their chief characteristic. Therefore, they should take into consideration as soon as possible the changed circumstances and change themselves before it is too late and the reaction comes which may be absolutely against them. It is better to have this question solved at an early date. a bania who had two sons was asked by a man as to who was cleverer of the two sons. The bania replied, "My younger son is cleverer than the elder". The man enquired why? The bania replied, "If my elder son lends a rupee. he tries to get back one rupee, but on the other hand if my younger son gets eight annas he is content. In this case my elder son in trying to get one rupee loses even these eight annas, but my younger son gets back at least eight annas." I tell you, Sir, it is the time to solve this question just now because after the war there should be so much reaction and there should be so much feeling which may react so badly that you may not even get a single supporter for you. Don't ignore those who are willing to co-operate. Don't ignore the party which is willing to co-operate. There may be others who may not go to that extent and it is, therefore, for you to distinguish between the two and find out the proper man.

Sir, I have only one word more to say and that is because of the fact that my Honourable friend, Mr. Lalchand Navalrai, dragged in the Archæological Department and dragged in the names of certain people. I think it is invidious to start to drag in the names of persons, because if he has said something in favour of a man, then naturally we will bring in things where that patricular man has done wrong. In that case this House will become a platform for accusing or justifying a particular officer for his actions. If he gets hold of a particular thing and on the basis of that he justifies the actions of a particular officer, another Honourable Member gets up and mentions other things which

go against that very officer. I think it is quite sufficient if matters of this kind are left to the good sense of the authorities to see if there is any justification for a thing or not. I do not want to say anything on this matter, but I would request my friend, Mr. Lalchand Navalrai, to think over the matter and find out why this Department has been attacked by this side of the House day in and day out. I think Mr. Lalchand Navalrai will give at least some credit to this Party that if there had been every thing going on in its proper way this Party would not have been going on ventilating their grievances every day, every week during all sessions of the Assembly for the last several years. I am not ready to endorse that every thing in this Department is right. I can assure my Honourable friend that we have got no grievance against any individual, whether he be a European or Hindu. If we find that he is carrying on his duties properly, if he is discharging his duties honestly and impartially and if he is dealing with all the communities in one and the same manner so far as the interpretation of rules or framing of rules is concerned they will find that the Muslim League Party will always be ready to support that official irrespective of his religion. They will never find us lacking in our support to them not on account of their religion or community but only on account of treatment based on justice. I do not want to carry on with this subject any more. I have already taken sufficient time of the House. With these words as we have declared, we are very sorry we cannot support this Bill or any further taxation.

Mr. K. G. Ambegaonkar (Government of India: Nominated Official): Sir, I wish to offer a few remarks on the observations made by my Honourable friends, Dr. Sir Zia Uddin Ahmad and Mr. Jamnadas Mehta, on matters relating to the Department of Food. So far as these observations relate to the control of prices and distribution of food, I need not say much in view of the fact that there has already been a full three days' debate on the subject and a reply was given by my predecessor. During the present discussion, various striking and picturesque phrases have been used, but I do not think that any substantially new point which was not covered by the reply of my predecessor has been made. I might say at once with regard to the suggestions made by Dr. Sir

Zia Uddin Ahmad that none of the suggestions that he has made in regard to the manner in which the food problems should be tackled by the Government are new ones. They were naturally the suggestions which presented themselves to the Government from the beginning and are mostly being acted upon.

As for Mr. Jamnadas Mehta's declaration that in the battle for bread, the baniya has beaten the Government, I may say that if the baniya has scored a triumph it is not only against the Government, but also against the consuming public. It is a victory at the expense of the masses of the consumers. It is not, therefore, a matter for gloating if it is a discomfiture to the Government, but it is a matter for strong public condemnation.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): And strong action by Government.

Mr. K. G. Ambegaonkar: It is not merely Government action that would remedy this. It needs strong public opinion and I do hope that this House will agree to give that co-operation which is necessary to create the public opinion required in order to make this impossible. I must at the same time make it clear that I do not agree with Mr. Mehta that decontrol of wheat meant showing the white flag. It was only a change of ground and alternation in tactics in order to be able to deal harder blows at the enemy. As Major General Wood explained in his speech, as a result of decontrol the black market rates have been broken; in the beginning there was a spurt in the prices, but they have been brought down; they are no longer Rs. 12, but now they are Rs. 9. There is no longer that scarcity and shortage which were complained of in December and January. Large stocks are available in the market. I want

[Mr. K. G. Ambegaonkar.] to assure the House that the Government have not been content merely by issuing declarations and holding conferences, but action is being taken, measures are being devised and these are being applied with the utmost zeal. I shall not say more on this point.

I now turn to the charge which Mr. Jamnadas Mehta has levelled against the Government in regard to the increase in price of sugar. With his characteristic candour, he has told us what was the source of his information on the basis of which he made this charge. He has told us that one of the biggest manufacturers in U. P. travelled with him and during ten hours of travel with him, he gave him details on the basis of which he has made this charge. While dealing with the political situation, Mr. Jamnadas Mehta referred to certain so-called patriots who, he said, in order to raise themselves in the estimation of Mahatma Gandhi tell him certain things in which they themselves do not believe and which are not true. I am afraid Mr. Jamnadas Mehta has himself fallen a prey to such tactics in the present case.

Mr. Jamnadas M. Mehta: I am not a Mahatma.

Mr. K. G. Ambegaonkar: I shall try to emulate his frankness and concede at once that so far as the point that this increase in price is a gift to the manufacturers in Bombay is concerned, it is perfectly correct. I shall explain in a minute why the Government could not avoid that. But on all the other points his informant was entirely wrong. His informant told him that the Indian Sugar Syndicate did not want any increase in the prices. Now, Sir, it was really the Indian Sugar Syndicate which first took up this question, passed a solemnresolution at their Board of Directors meeting that the price of sugar must be increased because they could not get sufficient cane at the price which was fixed for the cane on the basis of which the sugar price was fixed. Because the Indian Sugar Syndicate has its membership confined to U. P. and Bihar the matter was brought to the Government of India by the Indian Sugar Mills Association. The headquarters of this Association is in Calcutta. But it is not an Association of the Bengal Sugar Mills but an association which represents all the sugar factories in India. Now, Sir, when this delegation came to meet the Honourable the Food Member, the representatives on it were drawn from all parts of India and had a majority from U. P. and Bihar. After the delegation had met the Honourable Member, we had detailed enquiries made from the Provincial Governments and at that stage, it was the Indian Sugar Syndicate which represented the case and explained the figures. They asked for an increase which was much higher than what we have allowed, and is was after a scrutiny of these figures that the price was fixed. So, his informant in telling him that the Indian Sugar Syndicate did not want a rise in price was entirely and definitely wrong. Secondly, this gentleman appears to have told him that they were prepared to increase the price of cane without any increase in sugar price, but that it was the U. P. Government which came in the way: Now, Sir, anybody who knows the basis on which the cane prices are fixed in U. P. and Bihar would be amazed at this remark, because the price fixed in U. P. and Bihar for cane is not a fixed price, it is not the maximum price, but it is the minimum price for cane so that no factory is prevented from giving a higher price for cane if it wishes to do so. All the factories said, "We cannot increase the price unless you increase the price of sugar" and it was only thus that the question came up. Mr. Jamnadas Mehta might say that "My informant may be wrong in all these minor details, but he is right on the fundamental issue, namely, that there was no justification for giving this increase in price, because he himself is a manufacturer and says I did not require it. Now, Sir, as I told the House the matter was investigated quite fully. We did not accept the word of one or two manufacturers nor of the whole Association. We went into all the details and examined all the figures. I shall have to explain a little more in detail what happened. Sir, it is very difficult to ascertain the exact cost of a manufactured article. When, however, an article is manufactured by several manufacturers, some of whom are in a more advantageous position than others, it is still more difficult to fix the proper price. In the case of sugar factories, the difficulties are still further multiplied by the fact that here the variation in the cost is much wider because the cost depends upon the quantity of cane, the quality of cane, the extraction and various other things, and even two neighbouring factories have got large differences in their actual cost.

Now, Sir, under these difficulties, how did we ever fix the price at all? The reason is that sugar control is not really a new thing unlike any other controls. Sugar control was really something which the Government of India took over from two Provincial Governments which produce the quantity of sugar. The U. P. and Bihar Governments introduced a scheme of control under which the price of cane was linked up with the price of sugar. They compelled all the factories to join the syndicate, they compelled all the factories to agree to sell their sugar to the syndicate and to accept the price which had a proper relation to cane. In order to do that, they have been getting detailed statistics. The Imperial Institute of Sugar Technology, Cawnpore, have been getting figures from the factories, they have been compiling various items of cost and on the basis of that, the average cost of production and average cost under each item has been worked out. Now, it was on the basis of these average costs that the price was initially fixed at Rs. 11/11/-. As soon as that price was fixed everyone started saying that this price had not been properly fixed. In the first place, when that price was fixed it was expected that it would be possible to get the cane at -/8/- per maund. When the season started, we found that that expectation could not be fulfilled. Many of the factories were not able to get sufficient cane at that rate and it was necessary to increase the price to ensure cane supply. An increase of two annas. in the price of cane itself means an increase of Rs. 1/5/- in the price of sugar. Then there were other factors. We had expected that there would be a certain length of season but it was found that it would be much shorter in view of the irregularity of supply. A shorter season means higher manufacturing cost. Similarly, it was thought that there would be a certain percentage of recovery. We found that that also was not being realized. Then, there were increased costs in other materials which the factories have to use. All these factors were gone into in a very great detail and after the minutest possible scrutiny, made by the Governments of United Provinces and Bihar who have had an experience of these things for the last four or five years, we came to the conclusion that an increase in the price of sugar by Rs. 2/5/- was necessary in order to enable the average factories in U. P. and Bihar to continue their production. If we had not made this increase, what would have happened? it is, we are afraid, we may not be able to produce sufficient quantity of sugar to meet the full requirements of consumers. If we had not increased the price, we knew that several factories were not able to produce as much as they should have and in some provinces the factories had to close down altogether. We could not possibly allow the production to go down. We had a responsibility to the consumers in that respect, so that even though it may sound paradoxical it was really to safeguard the interests of the consumers that the price had to be increased. My Honourable friend, Mr. Mehta, might say that in fixing the price you have taken into consideration the least efficient factories. and in that way you have made a big gift to the more advanced factories. That is bound to happen to some extent, but it is not quite true that the price was fixed on the basis of the least efficient factories. after the price has been increased we find that in the vince of Bengal as well as in some other provinces, they could not get their cane at that price or produce the sugar at that price, and even now I can tell Mr. Mehta that the price has not solved the problem for Bengal. Bengal, instead of being able to produce more, is not going to be able to produce as much

- [Mr. K. G. Ambegsonkar.] quantity as it was expected but only half of it so that the problem of Bengal still remained unsolved.
 - Mr. Jamnadas M. Mehta: That is what I also say.
- Mr. K. G. Ambegaonkar: What I am trying to tell the Honourable Member is that we did not take the Bengal prices into consideration at all, but it was the best average cost for the whole of India. In fact, if you go into the comparative rise in prices, you will find that sugar is the cheapest commodity still in the country, and had it not been for the control, you would not have got sugar even at that price. So, we have got to keep in mind the fact that when an industry has been singled out for control, we must be fair to it and we must not reduce the price to such a level that the industry goes out of production. I hope the Honourable Member is satisfied that the increase in price was not a gift to the more advanced factories, but it was essential not only in the interests of manufacturers but of the consumers as well.
 - Mr. E. L. C. Gwilt (Bombay: European): Sir, . . .
- Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member may begin his speech after lunch.

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

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

Mr. E. L. C. Gwilt: Sir, like my Honourable colleague, Sir Frederick James while I rise to support this Bill, I propose to say nothing more about it.

In the speech made upon the Budget by the Leader of my Group, he referred to the subject of dearness living allowance, and to this subject I wish to return, particularly as there have been a number of demands made of the Finance Member that because certain sections of industry are paid a rate based upon the incidence of cost of living, such incidence must necessarily be the yard stick by which dearness living allowance shall be determined for all and sundry labour.

I hope to show that it is because this formula is in force in a particular industrial area and paid by the primary industry in that area, a vicious spiral is created which causes an artificial cost of living indices.

It is true, as has been stressed on several occasions during the present Session of this Honourable House, that there exists a disparity between the dearness living allowance paid by Government to its employees and that paid, in some areas, by industry to its labour, and though I am not in a position to say that that scale is, or is not, in correct proportion, I maintain that the Central Government, in consultation with representatives of the Provincial Governments, should be able to find an equitable formula, and I would ask the Honourable Members of Finance and Labour whether any suggestion has been made to the Provinces that some scheme should be made uniform throughout the country. I would like to ask, too, as to what extent the advice of the Economic Adviser to the Government of India has been sought, and followed, in this respect.

Take for instance the scale that is being paid to millhands in Bombay. It is calculated on the incidence of the cost of living index, and for the month of February, the cost of living index was 205 and the proportionate sum paid by way of dearness living allowance was Rs. 23/11/-.

The basis is entirely different from the one adopted in Calcutta where industry, if I understand the position correctly, in a determined effort to put a check upon the artificial rise, of which I have spoken, pays a much lower scale but purchases food for its labour, if necessary in the black market and sells it to its labour at pre-war rates which, by and large is what Government is doing.

But to return, Sir, to the cotton industry in Bombay. If my figures are not strictly accurate. I submit the point of my argument is not tar from correct. Before the war, the mulis produced and sold a piece of cloth, say a dhotte, at Re. 1, and though they may not have been saustied with the profit resulting, many of them paid good dividends. The retailer in those days, when he sold that dhotie to the public, made but two to four annas profit on it, and the reason, of course, for this small profit, was competition and lurge amount of cloth that was available for sale. As a result of the increased cost of raw materials, due to the war, prime cost, plus profit to the mills, has increased the price of that dhotie by eight annas and to Re. 1/8/-. I hope the House understands that my figures must essentially be approximate, but owing to the Defence, Supply and Commerce Departments taking up a large percentage of the production of the mills, but a fraction of their output is now available for civil requirements. The effect of this has been that the retailer has, in successive stages, and in the absence of any control of price, raised the cost of that dhotie to the public to a figure approaching that of diminishing returns-in other words to the highest figure he can squeeze from the purchaser—and I believe in some cases, as high as six rupees.

The mills, Sir, being managed by very human beings, who, unable to see the justice of the amount of profit thus being made by the trade, in turn have raised the price of the *dhotie* to take unto themselves a share of the profit being made by the trade. In consequence, the mills have been making extremely high gross profits, despite their ability to produce more cloth than

they are doing, for civilian consumption.

Now, Sir, in Bombay Government in their wisdom have encouraged—I won't use a word so strong as "coerced"—but they certainly have encouraged, the mills to disgorge much of their profit to mill labour by way of a dearness living allowance and an annual bonus. What is the effect? The mills are sitting pretty because dearness living allowance is, I, understand, an item of prime cost permitted by Government in the price they pay for their share of the null production; labour can have no objection whilst this state of affairs continues but the individual who, to my mind, is the most favourably placed, is the shopkeeper, particularly if he can convince his customers, honestly or otherwise, that his wares are in short supply, and charge very high prices for them, for the more he raises prices, and particularly those of food and essential commodities, the higher goes the cost of living index, and the more the mills disgorge by way of bonus and allowance under every encouragement by the Local Government.

I must make it clear, Sir, that I do not oppose the payment of dearness living allowance, but I do ask that prudence and equity be shown. When one thinks of Bombay, one is apt to think in terms of cotton mills, but there are thousands of souls who are not employed in mills, but their standard of living is set by the rates of dearness allowance paid to mill workers, and suffer in consequence, not through the apathy or disinclination of their employers to pay the same rates as mills, but because their employers cannot afford to do so.

For this reason, the scale of dearness living allowance paid by the Millowners Association sets in motion that vicious spiral of which I have spoken, and which may have unfortunate repercussions throughout India at some future date.

Mr. Jamnadas Mehta correctly said the other day that the State has the right to interfere, if a point of starvation wage has been reached in an industry and no reasonable person can gainsay that, but I submit there is little reason shown in the adontion of the payment of dearness living allowance on a scale dependent upon the incidence of cost of living, if there is no parallel price control of the product of the industry concerned, and if this procedure is permitted to continue without the fixation of ceiling prices for commodities. It will inevitably lead to economic disaster, for who but the State and the individuals comprising it, pay these allowances? The policy must lead to inflation.

Mr. E. L. C. Gwilt.] and because large amounts of money are handed over to individuals whose incomes are outside taxable limits, the State loses large sums of revenue, not only by way of Income-tax but also Excess Profits Tax.

On the other hand, if prices are permitted to rise unchecked, and profiteering to go unpunished, an employer, however willing he may be to pay to the State, that which is due to it by way of Excess Profits Tax, cannot entirely disregard a demand made upon him by labour to compensate them for an

abnormal increase in the cost of living.

As I have said, I do not oppose the payment of a dearness living allowance, nor a reasonable bonus; the latter is a profit sharing measure and to my mind is to be encouraged, but I urge that the Central Government should seek the collaboration of the Provinces in an attempt to reach uniformity in the payment of dearness living allowance by the various industries and the immediate introduction of price control measures. To the lack of these, I shall refer later.

As every one knows, the vast bulk of individuals representing labour in this country are improvident. That fact not only applies to India, but perhaps the more so. I would, therefore, suggest, not only in the interests of industry, particularly when wages must be reduced, but of labour as well, that the whole or a proportion, but not less than a half of the bonus (and here, of course, I differentiate between bonus and dearness living allowance) should, by statute, be invested in Post Office Certificates or some such fund administered by Government, and I am surprised that this suggestion has not been made by my Honourable friends, Mr. Jamnadas Mehta, and Mr. Joshi.

It is well to remember that dearness living allowance and regular ex gratia payments made to labour throughout the war, will, in total be regarded by them as wages, however much an employer may attempt to keep them sepa-

rate.

Possibly some Honourable Members have seen "The Report of the London Chamber of Commerce on General Principles of Post-war Economy" which has recently arrived in the country, and which may, in the opinion of some, be regarded as the anticipation of the millenium, but it provides much food for thought. One of the points the report stresses is the desirability of the balance of earnings between industry and agriculture, that is to say, between town and country, and how essential this balance is both for social stability and for the health, and happiness of the community. As was pointed out in this House but a few days ago, though the cultivator may today be making more profit on his crops than in normal times, nevertheless, the lion's share of the proceeds consistently goes to the middleman.

If the Government has not already done so, may I suggest that they study the manner in which South Africa has achieved the equalisation of the balance of which I have made mention? I ask for nothing which will lower the standard of living of the masses of India, but I draw attention to the increasing unevenness of the tip of the balance as between wages of industrial and agricultural labour. I will now deal with the subject of Import licences, and the delays that occur in the granting of them. I appreciate only too well the magnitude of the work undertaken by the Department of the Chief Controller of Imports and the nature of its responsibilities. It is complex and multifarious to a degree, but I am left with the impression that a great deal of the spate of criticisms directed to this Department, is due to the fact that it continues to be organised as a Government Department instead of on lines on which a commercial business is conducted.

If ever there was a department of Government that should be organised on commercial lines, it is this one, for a very large section of the business community in this country can only operate at the pace at which this department functions.

The delays in the granting of licences seem to be due to three main causes: firstly, several hundreds of applications are daily received in the department, and are addressed to the department rather than to an individual, which procedure is in strict keeping with Government ethics, and no doubt throughout the years, this practice of retaining the obscurity of the personnel of a department was well founded, but I believe that this one factor is responsible for the commencement of the delay.

The envelopes containing the applications, I think I am correct in saying, are opened and sorted by a cadre of clerks, whose duty is to classify them in their particular schedules, to attach them to the appropriate file if there has been any previous correspondence in the matter, and the file is then passed on to the officer, whose duty it is to peruse the application. These applications must cover a range of some hundreds of industries and thousands of products, and it seems to me incomprehensible, that any one, or two or half a dozen men in the department should be expected to be informed of the intricacies of the vast variety of industries entailed. No business house dealing with the complexities of the work handled by the Chief Controller of Imports would expect one and the same man to be expert in, say, machinery for the textile industry, the tobacco industry, the steel industry, the vast number of manufacturing operations covered by the Engineering industry, the drug industry, the scientific apparatus industry, to name but a few of those to which the applications apply.

What then is the result? Unless the officer dealing with an application can dispose of it himself, he must seek the advice of some other Government department which he feels has on its staff an individual who knows more about the industry to which the application applies.

Now. Sir, if the file has to be passed to another department, the second delay comes into operation. It seems that even, if the office to which the file is passed by the department is but a few yards away from it, it takes at least three days for it to reach its destination. This is not an exaggeration indeed it is based upon the assumption that the officer to whom it is sent has not to pass the file on to somebody else.

In the reverse process, the file is "in the wilderness" as it were, for another three days, and if my friend the Chief Controller of Imports feels I do him an injustice or exaggerate the position, I would ask him to investigate the accuracy of what I am saying, and to take, at random, half a dozen applications, received in his office, and ascertain the dates on which they were originally received, the dates on which they were perused by the officer within his department, and if they had to be passed on to another department, the date on which they left the C. C. I's department, the date on which they were received in the other Department, the date on which they left, and if they had not to be passed on to yet another department, the date on which they were received back in the C. C. I's department. I venture to suggest that he would be surprised at the waste of time, not in the actual examination of the file, but in transit from one Department to another. My criticism is directed not against the individuals but to the system.

The third cause of delay and one not generally appreciated, is one beyond his control, and is due to the exigencies of war. I refer to the frequency with which shipping programmes are upset.

However, Sir, the first two factors should be within the competence of the department to correct, and I suggest the number of officers in the C. C. I's Department who handle these applications be increased, for, my own experience is that its present and efficient personnel have far too much to do, also that the business community be informed of the names of the gentlemen to whom applications for licences should appropriately be sent, and if for any reason, which I am unable to perceive, Government wish to keep masked the identity

[Mr. E. L. C. Gwilt.] of officers dealing with applications, then give them a code number, so that the application may go direct to the officer, who will deal with it.

An Honourable Member: No. 10.

Mr. E. L. C. Gwilt: Anything you like. I suspect one of the objects of not divulging the identity of the officer concerned, is the chance of his being transferred to some other department, and the fact that he can be so transferred is, I maintain, yet another factor causing delay. Is it not possible to retain senior personnel during the war, and for them to retain their claim to seniority? On one or two occasions recently officers within the department have been transferred, and probably just as they had mastered the complexities of their work. If my proposal to enlarge the responsible personnel of the department is not feasible I would suggest an inter-departmental Committee consisting of a number of the Departments of Finance, Commerce, Supply, D. G. I. M. S., and Lease-Lend should be available for consultation not less than once a week, and this Committee should consider and give a decision upon applications upon which the C. C. I. Department require advice.

I would also ask whether the filing system that is in force throughout the Secretariat, is virtually identical to that in use in times of peace. Government are employing commercial experts to assist them in production. Can they not import similar advice completely to overhaul their filing system?

I will now deal with a matter which may, on the face of it, appear trivial, but which is far from it. I refer to the excessive amount of time frequently spent by those who come to New Delhi on Government business.

Owing to the rapid expansion of so many of the departments, constant changes have to be made, not only within their personnel, but in the location of the department itself, and judging by the assistance a visitor, attempting to find his way, receives from the majority of the chaprassis at the Secretariat, that building might well be termed "That Great edifice of Malum Nahin".

To give but one illustration of my case: During the last Budget Session, and previously, the office of the D. G. I. M. S. was situated in the South Block of the Secretariat. In August I had occasion to call upon that department, but on arrival found at the entrance an armed guard who refused to allow me to enter without a pass, because that section of the building had been taken over by the Army. The sentry did not know where the D. G. I. M. S.'s Office was, indeed had never heard of it. Three Chaprassis of whom I enquired, were equally innocent, but a clerk came to my assistance and told me there was a Notice to say the department had been moved, but as the Notice was in the corridor, and I was not permitted to enter to read it, it was not very helpful.

Eventually I discovered the department had been moved to the North Block. Now, the North Block, Sir. is a large building consisting of several hundreds of rooms and a labyrinth of corridors, and it was only after the greatest difficulty that I eventually found the Department of the D. G. I. M. S. I arrived fifteen minutes late, missed my appointment, and had to wait another hour and a half, for the gentleman I wished to see, naturally concluded I was not coming.

Then again, telephone numbers are constantly changing, and officers move from one department to another. It is impossible to assess in terms of money the time lost by those who have to find their way to and about various Government Departments, time, all the more important, when the staffs of so many business houses have been drastically reduced. I suggest there should be a Central Enquiry Bureau, to which should be submitted each day any changes that have occurred in the personnel of a department, in its telephone numbers, and in its location. The Bureau might be in charge of a pensioner who knows his way about Delhi and the working of the various departments, and should have under him a team of intelligent chaprassis who could guide a visitor to the room he seeks, or at least put him on his way. If at such a Bureau a visitor could make his enquiries, not only will he have cause to be grateful, but also many of the officers of Government, for, as things are frequently the only way

to learn the whereabouts of for instance, an Under Secretary, is to phone a colleague, his time is wasted, and an already overloaded telephone service is further strained. On Friday morning the European Group tried to locate the whereabouts of the office of Major General Wood. We had to phone up five different numbers before we got him. We disturbed four people and we put through five calls when one should have been sufficient.

An Honourable Member: Such is the efficiency of the administration!

Mr. E. L. C. Gwilt: Now, before I end, I would like once more to draw attention to the inaction of the Central Government to control prices, and especially of imported foods and drugs, for instance, Infant Foods and many others which are imported not only at the peril of the ships that bring them to India and the lives of those who man these ships, but at great sacrifice of the peoples from whose countries they are shipped. England, Sir, can ill afford to spare much of what she is exporting, this not only applies to food, but the more so.

To my mind, the Government of India, if they continue in their failure to take drastic steps to put a stop to it, lay themselves open to the charge of connivance at profiteering in imported foods and drugs, and it is pertinent to ask what they consider would be the attitude of His Majesty's Government, were they made aware of the fact that the people of Britain are being asked to make sacrifices in order to provide a black market for the middleman in this country.

It is no answer to say that price control is a Provincial matter. The initiation of action against profiteers can be taken by the Central Government tomorrow if they are determined to put an end to these activities, they, and

they alone, have full powers to do so.

May I ask the Honourable Member in charge of Defence or his representative in this House in relation to this subject, whether he has considered the position of the British private soldier? His pay is little enough, but if he is in England he makes his few purchases of comforts at controlled prices, but if he comes to this country to be ready to fight for it, he is fleeced for practically everything he buys in the bazaar. I cannot but think that his interests in this direction are causing the greatest anxiety to the Army authorities.

I have already placed before the appropriate departments a method upon which a price control scheme could be based; so I claim an attempt at being

constructive.

There are some who say that this is not India's war, but there are others, and surely they cannot be one and the same, who have made and are making fortunes out of it, not necessarily from what India herself produces, but out of goods which England exports and thus has to forego in times of want.

Sir Abdul Halim Ghuznavi: Mr. Deputy President, my Honourable friend, Sir Cowasjee Jehangir, has dealt with the Budget proposals extensively and in a very able manner. There are, however, one or two points which I would like to elaborate because I feel that Sir Cowasjee Jehangir was not sufficiently clear in regard to those.

Sir, I would like to deal with the question of inflation and the sterling credits first and, in that connection, the problem of rising prices, which has been the subject of much criticism on the floor of this House and outside. The shortage of consumable goods is said to be one of the reasons for this

shortage of consumable goods is said to be one of the reasons for this sharp rise in prices. In certain quarters it is believed that inflation has already set in. I personally think that, while there has been a large expansion of currency, which is inevitable under the war conditions, there is no inflation as such. We must not lose sight of the fact that till the war started the authorities were unwilling to place into our hands sufficient currency for the healthy conduct and growth of our commerce and industry. In this connection. Sir, I must refer to the policy of the Government in the treatment of the sterling resources of this country. If sterling balances are allowed to mount up at the present rate in Britain and the Government here go on doing nothing but issue currency against

[Sir Abdul Halim Ghuznavi.]*

a portion of these balances, the result thereof on the economy of this country would be disastrous. The value of money depends on its backing. Money forfeits its purchasing power and foreign convertibility if it is not backed by tangible assets such as gold, silver, foreign exchange, etc. In India, the gold backing of the currency has now fallen to 7.4 per cent. or even below that, while sterling securities of the Reserve Bank note liabilities are as high as 69 per cent. and more.

The Honourable Sir Jeremy Raisman: The value of gold is three times of what the Honourable Member indicated.

Sir Abdul Halim Ghuznavi: The value of gold is three times, but where is the guarantee that the value of gold will not fall to a third at a future date?

The Honourable Sir Jeremy Raisman: You are taking the present value of sterling and when you are comparing the percentage of backing, you should also

take the present value of gold.

Sir Abdul Halim Ghuznavi: My point is—what is the value of sterling. You have controlled it in such a way that it cannot be converted into gold or dollar or anything else. I am talking of your sterling balances in London. I should like to get your answer to that and then I shall give you my point of view. Sterling has ceased to be a free currency. What is your answer to that? Is it not a fact that you have controlled it in such a way that it is no longer freely convertible? Sterling has ceased to be a free currency in the sense that it is no more freely convertible into gold or dollar. That is what I meant. Moreover the gold parity of sterling has declined by 12 per cent. since June 1939. It is difficult to foresee what the status and value of sterling would be in the future. I am not being unduly pessimistic, but it is only a common sense view that sterling cannot maintain in the post-war world the same status that it has had in the past.

The Honourable Sir Jeremy Raisman: That is by no means only common

sense.

Sir Abdul Halim Ghuznavi: I shall prove that it is sense. What is the lesson of the last war? Don't forget that.

The Honourable Sir Jeremy Raisman: What is the lesson of the three or

four years after the last war?

Sir Abdul Halim Ghuznavi: That is a different thing altogether. We are now discussing what will happen immediately after the war—not what will happen three or four years later. By that time we shall clear up all our sterling balances and we shall be left with nothing. The four or five years following the termination of the war will give ample time to clear away all the sterling balances. In this connection, I may point out that America, Canada and South Africa have all obtained from Britain payments more by disinvestments of British assets in those countries than by opening up sterling credits in London.

The Honourable Sir Jeremy Raisman: What is Canada doing now?

Sir Abdul Halim Ghuznavi: I will tell you later on what Canada is doing now. When Argentina expressed fear that her sterling balances in London would be treated as block credits, on their own insistence, Britain agreed to give them a gold guarantee clause. Am I correct?

The Honourable Sir Jeremy Raisman: That was before the war.

Sir Abdul Halim Ghuznavi: Whether it is before the war or after the war, you have given a guarantee by means of a gold clause. That is my point. Give us that guarantee too and we will not bother, Give us that gold guarantee for our sterling which you hold in London, which is our money. The case of India, however, is unique in this respect. Of course, the repatriation of sterling debts and railway annuities and the purchase of certain railway debentures have helped to clear a certain portion of these sterling balances but these are almost insignificant compared with the rate at which these balances are accumulating in London.

The Honourable Sir Jeremy Raisman: The Honourable Member has an extraordinary idea of insignificance.

Sir Abdul Halim Ghuznavi: What is your balance now? What is the rate

of accumulation?

The Honourable Sir Jeremy Raisman: I do not know what it is but three

hundred millions cannot be insignificant in relation to it.

Sir Abdul Halim Ghuznavi: I admit it is not insignificant but still you have cleared that out. That has gone now. The Indian public and the Indian commercial community, in particular, have from time to time expressed deep concern over the Government's policy in allowing these balances to go on accumulating. The Federation of Indian Chambers of Commerce and Industry has made a representation to the Government in which very helpful and sound suggestions have been made for the disposal of these balances now. They include the liquidation of British investments in India, payment for purchase in durable assets like capital goods, payment in part in gold and dollars. It is only fair that these suggestions should be implemented. If, on the other hand, India's dependence on Britain is taken advantage of and a treatment which is different from that meted out to the other Colonies and Dominions is meted out to her, then I say that Britain and the Government here will never be able to clear themselves at the bar of world opinion. The Honourable the Finance Member may laugh, but that is the position. He can only laugh: what else can he do? Viewed from this angle I do not at all feel happy about the Budget speech of my Honourable friend.

Now, Sir, there is another trick which the Finance Member has up his sleeve. The Honourable Member now wants to liquidate a part of these balances by making advance provisions of sterling to meet future payments of family pensions and provident fund. That we will pay from year's end to year's end for centuries, but he is now trying to create a fund out of these sterling balances to provide for these pensions which are payable from year's end to year's end. He finds the sterling balances very helpful and useful. I ask: why are you funding that?

The Honourable Sir Jeremy Raisman: Did the Honourable Member object to the redemption of the non-redeemable debt which also would go on from year's

end to year's end?

Sir Abdul Halim Ghuznavi: Because there I save my interest and even there I do not agree with him. Let those debts be there. I can use these sterling balances for other useful purposes. My point is: Is the Government apprehensive that a future Indian Government would refuse to pay those pensions? Is that in your mind? Otherwise why do you want to fund it immediately. Why don't you trust the Government which is to come? They will not repudiate these obligations. They will go on paying those pensions which are your obliga-

tions and which obligations they will take over.

Now, Sir, a word regarding the Re-construction Fund. I know my Honourable friend, Mr. Neogy, will deal with this part of the Budget speech, but I will deal with one aspect of it which, I am afraid, may not be in his mind. It is this. The question of constituting a Re-construction Fund is another way in which Government think of liquidating part of the assets. In view of what I have already said, the country is not satisfied that the Re-construction Fund will purchase an equitable value for India in the post-war days. Moreover, such funding makes it incumbent on India to make her purchases for post-war reconstruction in Britain which may not necessarily be the best market for her then.

Dr. P. N. Banerjea (Calcutta Suburbs: Non-Muhammadan Urban): That is our chief objection.

Sir Abdul Halim Ghuznavi: Yes, that is our objection. From the various statements made on the floor of the House by the Honourable the Finance Member it is evident that the Government of India have no assurance from Britain that the Re-construction Fund, so constituted, will be freely convertible

[Sir Abdul Halim Ghuznavi.] in gold or dollars. We will agree to your funding for the reconstruction in order. that India may make her purchases freely from the best markets in the world. The Sir, comments appearing in the British press lately on the Honourable Member's speech and statements made by the mouthpieces of "big business" in Britain have only tended to confirm the apprehensions in the minds of the Indian public that the Re-construction Fund is designed in order to subsidise and support British exporters and assist the rehabilitation of British industries in the post-war period. I must, Sir, enter my emphatic protest against the method by which the Government is frittering away the sterling balances which substantially represent the toils, the sufferings and the sacrifices of the poor millions in this country.

Sir, regarding the Public Accounts Committee and the joint war measures, I agree with my Honourable friend, Sir Cowasjee Jehangir, when he said that the Public Accounts Committee is not the appropriate body to offer advice to the Executive Government on this subject on behalf of the whole of India. The Public Accounts Committee is elected from this Honourable House in which a substantial number of the Honourable Members are absent. Such a Committee cannot be said to be a fully representative Committee, as my Honourable friend, Sir Cowasjee Jehangir, has pointed out. Moreover, we have the admission of the Honourable the Finance Member himself on the floor of this House that their scrutiny is only in the nature of a post-mortem examination. These and other allied subjects are matters of vital importance affecting the future economy of the entire country. The Executive Government cannot be the sole arbiter on these matters. They must be guided by the advice and decisions of a Committee of men representing not only the electorate of the country but also able economists and, in particular, those who have a vital stake in the country's economy.

Sir, I will now deal with the new taxation measures which I feel are inconsistent with the Honourable the Finance Member's assurance given in 1940. Even in peace time the taxes on India's resources have been somewhat on a war scale. During the war the taxes have been so increased as to bring them up to the strangulation point. The new proposals with regard to the taxes with increases in the surcharge and in the corporation tax are serious inroads on the normal profits of trade and industry. They are bound to cripple the building up of reserves by the existing industries for protection against post-war competition. I would go further and ask whether this increase in the income-tax rates and the basic rate of corporation tax is not inconsistent with the assurance given by the Honourable the Finance Member when he introduced the Excess Profits Tax Bill on the 18th and 14th March, 1940, that the cost of additional defence measures should be borne in the first instance from profits arising out of war operation. While replying to the debate on the Excess Prefits Tax Bill on the 14th March, 1940, my Honourable friend the Finance Member said—these are his own words:

"The principle of this Bill is not the taxation of profits which can be demonstrated to be due to the war; it is the taxation of excess profits arising in war time and in war conditions, because it is based on a principle of priority of taxation, namely, that the cost of the additional defence measures to be borne in the first instance by those who in the conditions of war find themselves not worse off but better off."

Mr. P. J. Griffiths (Assam: European): In the first instance.

Sir Abdul Halim Ghuznavi: Yes, in the first instance.

The Honourable Sir Jeremy Raisman: I understand the Honourable memberte be supporting an increase in the excess profits tax.

Sir Abdul Halim Ghuznavi: What I say is this: there is no justification for you to increase the surcharge and corporation tax. That is not due to the war. that is their every day normal business profit. You are increasing it to a strangulation point.

An Honourable Mamber: Is it a strangulation tax.

Sir Abdul Halim Ghuznavi: Strangulation of industries. The Honourable the Finance Member further said:

'In looking round for the sources of your new tax will you refrain from taxing definite war profits, because it can be argued that any measure which is devised to tax war profits will also possibly affect a small number of persons who, though they are making additional profits during the war, are perhaps not making additional profits because of the war?''

That is the justification the Honourable Member gave us for the excess pro-

That is the justification the Honourable Member gave us for the excess profits tax. What is his justification for increasing sur-charge and corporation tax? Sir, the percentage of fax, income-tax, sur-charge and super-tax in a rupee profit has increased steadily from 21.9 in 1939-40 to 38.5 in 1943-44, an increase of 16.6 per cent. I would say that the attempt is to kill the goose that lays golden eggs.

Now, Sir, there are certain grievances of the income-tax assessees. My Honourable triend the Finance Member laughs. I am the only one who attacks him on that point. I am not attacking him this time on that point; I am addressing my remarks to Sir John Sheehy. My Honourable friend thinks that I am going to attack him now as I have been doing during the last two years.

Sir, I come to the administration of the Income-tax and the Excess Profits Tax Department. As a result of country-wide agitation to free the appellate machinery of this Department from the shackles and influence of the Executive, the Honourable the Finance Member, while replying to my Resolution on the Income-tax Administration during the last Budget Session granted that the Appellate Tribunal may be transferred to the Law Department, for which the assessees are very grateful to the Finance Member and Sir John Sheehy. But Sir, the Appellate Assistant Commissioners still remain under the Board of Revenue

The Honourable Sir Jeremy Raisman: And will remain.

Sir Abdul Halim Ghuznavi: Before I finish my sentence the Honourable the Finance Member says "it will remain". I expected that answer. Let it remain on the ground that justice is not going to be done to us. No amount of my talking will convince him. Now, Sir, I will not deal with that point. I will stop it here; since he has said, "it will remain", what is the use of bothering my head for giving further arguments.

Sir, there are certain anomalies in the administration which I related last year on the floor of this House and which still persist. Look at the anomalies and look at the discrimination. I will give only one instance. The Income-tax authorities are still calling upon Indian assessees—only Indian assessees and not Europeans—to submit, on oath, a statement of their total wealth. How is it possible for a man or a woman to give a statement of his or her total wealth when he or she may not have accumulated that wealth but have inherited from his or her parents. I have already pointed out the impossibility of submitting such a statement in a form requiring a thousand and one details. My point here is that we are not bound by law to give that statement. The Law does not authorise the Department to call for that statement. If they still persist in asking us—I mean only Indians—a test case will have to be fought out in order to see whether the law permits of it or not.

Sardar Sant Singh: Have you taken the legal opinion on that point.

Sir Abdul Halim Ghuznavi: Now, Sir, a word or two about the National War Front. My friend, Mr. P. J. Griffiths, has sent me one of his pamphlets. This is the one I am referring to, "Why can't he mind his own business"? In deference to his request which is contained in this pamphlet, I have not sent it to the waste paper basket. I have read it from beginning to end. I understand, Sir, that nearly 75 lakhs of rupees are being spent annually on propaganda of this sort. What a huge waste of the resources of the Indian coffers? Whom does my Honourable friend want to convert to his views?

Mr. P. J. Griffiths: Not you, but those who have an open mind.

Sir Abdul Halim Ghuznavi: Before I proceed, further, may I know what in the percentage of literacy in India? It is not more than ten per cent. of

[Sir Abdul Halim Ghuznavi.] wnom much less know English. Look at the colossal waste of money on 90 per cent. of the population who know not how to read. Now, Sir, as I said whom does my Honourable friend want to convert by the publication of such propaganda?

Mr. P. J. Griffiths: Not you?

Sir Abdul Halim Ghuznavi: I am with you. Why this waste?

Mr. Jamna Das M. Mehta: With him in waste?

Sir Abdul Halim Ghuznavi: Those of us who are termed "loyalists" are already actively supporting the National War Front. That my Honourable friend knows. We are all with him. (Interruption.) I am qualifying my statement by using the word 'loyalists'—those of us who are 'loyalists'. Others who realise the cause that is at stake in this war are also actively helping you in the National War Front. These two classes, you have already got. No propaganda is necessary for them. Does my Honourable friend hope to convert the extreme nationalists by this propaganda, by these pamphlets which he issues from time to time? They will not even as much as look at these pamphlets. If you want to get them, what they want is something done here and now to make them feel that this is their war. Do that. No propaganda is necessary. The whole of India will stand behind you to crush the axis powers in no time. Willingly men will march forward to fight the Nazis, and as Sir Muhammad Yamin Khan said, people will come forward then not merely for pecuniary considerations, but for the love of defending their country. I will then willingly offer all that I possess to fight the Nazis and the Fascists. Show by your action that this is our war. I do my bit because I think it is my duty to do it, whether I feel for it or not. We must do what we can to win the war, but I cannot call upon my countrymen to do the same thing unless they feel that it is their war. Create a situation by your action in which we may feel that it is our war.

In this connection I have got a small cutting of an advertisement for which my Honourable friend, Sir F. E. James, has a great liking. Here is the propaganda on which my Honourable friend spends so much money. I am the Chairman of the Defence Loan Committee in Bengal. My Honourable friend knows it. Day in and day out, I do all I can to collect money for the defence loan. At one of the meetings of the Committee my Honourable friend was present when I argued that the time had come when we can go to the masses and win them over. But the Committee turned down my suggestion and said that this was not the time. They said that the prices of commodities had gone up sky-high and, therefore, not one of them would even think of saving, because there was no saving. The masses are now living under such bad conditions. But why then this advertisement, may I ask?

Mr. P. J. Griffiths: On a point of information, Sir. The masses do not read papers in English.

Sir Abdul Halim Ghuznavi: Then why do you advertise? For whose benefit are these advertisements inserted? These loans are subscribed to by monied classes like us who are with you; they are subscribed to by the Banks, by Insurance companies and by the commercial community. They do not require this kind of advertisement. Is it then to bribe the nationalist press; is it that you want them to support you for your giving them this advertisement, which you perfectly well known, will not be read by the masses? According to your own statement they do not know English. This is the advertisement in the Amrita Bazaar Patrika, a nationalist paper:

"2,000 new tyres, 520 tons of stores needed daily in the Middle East Campaign. Success depends on supplies. Buy Defence Savings Certificates."

Mr. P. J. Griffiths: What is wrong with that advertisement?

Sir Abdul Halim Ghuznavi: By reading this advertisement, I would not buy one pice worth of certificate. That does not tempt me.

Now I come to another point. I may be wrong on this point and I am subject to correction by my Honourable friend who has got the national war front propaganda in hand. I think he has been instrumental in engaging the services of Prof. P. J. Thomas.

Mr. P. J. Griffiths: Yes.

Sir Abdul Halim Ghuznavi: Well, then, it is a fact. Now, I will not use any strong word such as "expose", but I will simply say I bring this to the notice of the House. Look at this. This is not a matter for laughter. When I give you the facts, you will soon cry. My Honourable friend admits he has got Proof. P. J. Thomas appointed.

Mr. P. J. Griffiths: I do not admit; I state.

Sir Abdul Halim Ghuznavi: Yes, he has engaged the services of Prof. P. J. Thomas, an Economist. I do not know where he is. What is he appointed for? "To organise public opinion against the persistent public demand in this country for the establishment of key industries and greater industrialisation".

Mr. P. J. Griffiths: That is entirely and completely untrue.

Sir Abdul Halim Ghuznavi: Then, let my Honourable friend say what he is doing. I will tell him what he is doing according to my information.

The Honourable Sir Jeremy Raisman: Do not first say what he is not doing and say he is doing that.

Sir Abdul Halim Ghuznavi: Well, let me proceed. Well, these laughters do not perturb me, you can rest assured. I know my subject well.

The Honourable Sir Jeremy Raisman: Or the subject knows you.

Sir Abdul Halim Ghuznavi: These laughs do not help you to take me away from my subject. His first move is in the direction of organizing "autonomous groups" in various provinces, which would educate in their turn, public opinion on questions such as greater benefits of free trade policy, necessity for maintaining the agricultural economy of India, safeguarding of consumers' interests and the unsuitability of the policy of protection

Mr. P. J. Griffiths: Sir, on a point of information. I must object to this. Two contrasting policies have been put forward for consideration. My Houourable friend in each case is dealing with one of those policies and ignoring the other.

Sir Abdul Halim Ghuznavi: I am not in possession of the other. Your policy is in my possession .

Mr. P. J. Griffiths: Where have you got it from?

Sir Abdul Halim Ghuznavi: From the Chamber. (Interruption.) What is the Chamber for if it does not provide us with all the information.

Mr. P. J. Griffiths: It is your duty to find it out before you speak it out.

Sir Abdul Halim Ghuznavi: This is an information which you do not contradict. There is another side of the picture also, but I will drop it because my Honourable friend is getting fastidious

Mr. Muhammad Nauman (Patna and Chota Nagpur cum Orissa: Muhammadan): We would like to hear.

Mr. P. J. Griffiths: Do not drop it.

Sir Abdul Halim Ghuznavi: What is the good of rubbing it in any more: I

have rubbed it in sufficiently. So. I would drop the rest of it.

The British businessmen have already started a cry for more agriculturisation of this country and my Honourable friend, Mr. Deshmukh has fallen for that cry. My Honourable friend, Sir F. E. James, even went so far as to suggest that the best way in which the growing sterling resources of India could be used is for the reconstruction of agriculture. All of which, so that India may always remain a predominantly agricultural country producing nothing more than the raw materials necessary for the Western democracies

The Honourable Sir Edward Benthall (Member for Railways and War Transport): Did he say that?

Sir Abdul Halim Ghusnavi: It is my statement. Sir, it was Henry Ford who once said: "Go out into the world and the only slave left on earth is man minus machine." That was a pointed reference to India.

Mr. P. J. Griffiths: That is a biased view.

Sir Abdul Halim Ghuznavi: I know that if India must industrialise herself. it will be not because of these foreign vested interests, but in spite of them. It will be very interesting to know how these very same vested interests who, in Bengal, opposed tooth and nail all attempts of that Government to reduce the acreage under jute in order to grow more rice, have now come forward with a plea for larger agriculturalisation in the interest of the Indian masses. But do you know why they say "grow more jute"? Not in the interest of the agriculturist, but in their own interest. What they want is: "Grow more jute" so that jute may be sold to them at uneconomic prices. They want to buy cheap jute and put up a high price for their finished goods. The Government wanted to reduce the jute acreage to a third; but these vested interests fought, fought and fought. Instead of saying "Grow more food", their cry was "Grow more jute'-starvation or no starvation. Here they are shedding crocodile tears for the Indian agriculturist! But the real point is that the future of India depends on better industrialization which will automatically provide better means of agriculture.

Sir, it has become customary for the Viceroy of India to grace the occasion of the Annual General Meeting of the Associated Chambers of Commerce in Calcutta by his presence which is generally taken advantage of to sing the political song both by the President of that organization and His Excellency the Viceroy. On the 17th of December, last, my good friend, the Honourable Mr. R. R. Haddow, in his presidential address to the Associated Chambers, showed a closed fist at the Indian industrialists. His entire speech was characterized by an overwhelming indignation against the demand for greater industrialization in India. In all that he said, what appeared to me most ridiculous was his assertion that all that they ask is that they receive the same treatment in India as Indians receive in Great Britain. The absurdity underlying this statement is patent indeed! Do a Government of Britain Act provide for "commercial discrimination" in favour of Indian interests in Britain?...

Dr. P. N. Banerjea: It is absurd.

Sir Abdul Halim Ghuznavi: Or, for that matter, do an Associated Indian Chambers of Commerce assemble every year in London attended by an Indian Viceroy as the Head of the British administration to hear a hymn of hate sung against the indigenous people? Ever since Sir Stafford Cripps visited India with his ill-fated proposals, and expressed the opinion of the British Cabinet that a guarantee of special protection for British commercial interests in India would not be a condition for the acceptance of whatever constitution Indians might evolve in the future, the British vested interests here and abroad have launched upon an effective opposition to any attempt on behalf of Indians to retain the sovereign rights of a free country in shaping her own economic and industrial structure in her best interests. This move is fully indicated in the speeches of Lord Craigmyle and Lord Catto in the House of Lords on the 20th July, 1942, and of lesser men in India from time to time. But, God willing, India will resist any such attempt to the last straw.

Sir, I will now deal with the food situation. During the discussions on the food situation recently the Honourable Members of this House criticised Government's handling of the situation and suggested ways and means of improving it. If any Government want to seek the loyalty of the people they are supposed to rule over, they must first feed them. "Man eats before he thinks".

Speaking, Sir, on the food situation on the 17th February, I remarked that utter chaos prevails between the Government of India and the Provincial Governments. There is no co-ordination and no co-operation between the two. In

fact, within the Government of India itself there is utter chaos and too many cooks have been employed to spoil the broth. Owing to this, businessmen suffer untold difficulties and consequent losses.

As an illustration of this, Mr. Deputy President, I want to point out how the rice merchants of Bengal—all Muslims—suffered over the commitments of the Government of India to ship rice to Saudi Arabia, Iran, Iraq and the Persian Gulf. These exporters of rice had obtained permits from the Government of India on their own quotas of export. As there were no shipping facilities at the time in Calcutta they forwarded their shipments to Bombay for transhipment to destination. Even though the Export Controller of the Government of India in Bombay had permitted shipment, the Government of Bombay would not allow it. This rice, sent from Calcutta to Bombay for shipment, is boiled rice and of no use to the Bombay consumers, and it is still lying in Bombay in godowns to rot. The Bombay Government will not allow it to be exported nor do they want it themselves.

In another case an exporter obtained a permit from the Government of India, in accordance with the permission of the export Controller, to export certain quantities of rice from Calcutta. The rice was actually loaded. But the Bengal Government intervened and served a notice on the exporter, asking him to show cause why he should not be prosecuted for failing to obtain the permission of the Government of Bengal, and what is more, got the whole of the rice unloaded from the steamers. In fact, one of the steamers which had already proceeded on its voyage was asked to stop at, the next port and return to Calcutta. In spite of the permits that they had obtained from the Government to ship, the merchants have been prosecuted. Having received an order from the Government of India, how are they to know that they have again to apply to the Provincial Government? And why apply to the Provincial Government? It was the Government of India's business to see that the Provincial Government of India's business to see that the Provincial Government of India and the Provinces.

There are certain steps which the Government of India, if I may say so, should take immediately in order to improve the situation. (1) First of all, controls and all measures regarding food production and distribution must be centralised in the Government of India. The Provinces must act in close cooperation with the Centre and complete co-ordination must be brought about between the two. (2) A new drive to collect complete statistics as to the country's future requirements must be now made. The plus and minus provinces and the districts must have their food positions closely studied. (3) Price controls and fixation of ceiling prices have failed to produce the desired results, and, therefore, they must be scrapped at once, both in the Centre and in the Provinces. (4) The Provinces must be instructed to remove all restrictions or hindrances placed by them against the free movement of foodstuffs. (5) Until the situation is eased, all exports of foodstuffs, whatever may be their nature, must be stopped. (6) Government must import such foodstuffs as are in shortage without any further delay. The importation of wheat from Australia is a step in the right direction and must be followed up. (7) Corruption in the control machinery must be stamped out. The Control machinery and the Government must take the established commercial bodies and the trade organizations into counsel to help them function efficiently. (8) Last, but not the least in importance, is the need for a practical programme by which the 'Grow More Food' campaign may be made effective. The provinces must be made to fully co-operate with this scheme.

I wish, Sir, I had made my speech a bit earlier. Then my honourable friend, Mr. Mackeown, could have replied to me on my references to the Supply Department. Certain actions of the Supply Department are disturbing

[Sir Abdui Halim Ghuznavi.] the minds of a section of the Indian mercantile community and they are considered detrimental to the larger interests of the country. The procurement of war supplies through the official agencies and the Provincial Directors of Industries is most objectionable. Indian industry is in its infancy and anything that will hamper the growth of the infant should be removed from its way.

But so long as the Supply Department's policy remains as the procurement of supplies through the Director of Industries and the official agencies, Indian business enterprise and initiative must die by default. The Government must accept as their principle that where trade channels already exist for the supply of a particular article or when such channels can be expanded to meet the demand, they must buy from those channels and not through the official agencies. Only in unusual cases where trade channels do not either exist or cannot be expanded to meet the large demands of the defence services, should any official agency be introduced either to supply or supplement the existing channels. What is objectionable is that the Government sometimes places orders with the Directors of Industries, completely ignoring the existing industries as in the case of pith hats in Bengal, as also the manufacture of camouflage nets and barrack blankets. . The story is this. The pith hat industry was entirely in the hands of Hindu and Muslim merchants in Calcutta. A number of these merchants were Muslims and some Hindus. One Muslim firm has been doing this business for over fifty or sixty years. This very firm supplied all the requirements in the last war when there was nothing to grumble for. There, for the first time, comes in the Director of industries, Bengal; my friend knows it; what does the Government of India do? They finance him to start an organisation for making pith hats in Bengal thereby destroying the merchants who were bona-fide pith hat merchants and who have been supplying pith hats to the Government all along. They did not stop at that. By a notification in the Gazette they gave all the pith and other incidental materials in Bengal to that Director of Industries: He sets up a factory by himself and I shall now tell the House what he does. Thereby the Supply Department has killed that industry in Bengal and the men in the industry would be left high and dry unable to recoup themselves after the war, because. after the war, this gentleman, the Director of Industries himself would own this big concern which he has built up at the cost of the Government of India. The Government are financing him to do that. I shall now give the facts. What is being done is that the workmen of the existing organisations are being taken away and employed by the Director of Industries; the existing organisations are thus deprived of both men and raw materials. The Director of Industries professes to supply the articles on a no-profit basis. In this matter my friend, Sir Henry Richardson, demonstrated once to the Supply Department committee what loss they were incurring in not calling for public tenders for the supply of flour they wanted for the defence forces which contract they gave to a certain individual. He demonstrated that by facts and figures and here is another instance. The Director of Industries professes to supply the articles on a no-profit basis. Fancy the cheek of it! This is absolutely bunkum. Enormous profits are being made on the plea of no-profit basis and there are a lot of scandals about it. . . .

An Honourable Member: Profits made by whom?

Sir Abdul Halim Ghuznavi: By the Director of Industries; he is the man who supplies now.

An Honourable Member: He is an Indian, is he not? (Interruption.)

Another Honourable Member: By the Government!

Sir Abdul Halim Ghurnavi: You are confusing the matter. It is the Director of Industries in Bengal. The Government of Bengal has nothing to do with it. The Supply Department has entrusted this gentleman, the Director of Industries, Mr. so and so to supply these hats. I challenge the Government

of India to deny this fact. The Government of India has financed this gentleman to set up a factory, a manufacturing centre, and deprive these merchants who were the suppliers before; even now these merchants have submitted memorials stating their grievances, but nothing has been done. They say, even today, in spite of all the restrictions, they are prepared to give to the Supply Department those pith hats at the same price as that of the Director of Industries. Still Mr. Elkin of Calcutta would not consider that proposal. He will stick to the Director of Industries. Government may say that these merchants or traders were making excessive profits, but they have the control machinery in their hands to check it. They have ample powers in their hands to control those rates. As a matter of fact this is being done in many other cases; but that cannot be a plea or argument for destroying an industry and denying the opportunity to the people of this country to establish an industry. These monopolies granted to the Director of Industries, including the monopoly for the purchase of raw materials, both hemp and pith, have given rise to scandals which should receive the early attention of Government. I will end here so far as the Supply Department is concerned.

A few words about the brave Indian seamen of Bengal. In October, 1941, I founded a union for seamen known as the Indian National Maritime Union of which I am the president since. It is my object to secure for them any protection they stand in need of, and help them in their difficulties by bringing to the notice of the authorities and the liners concerned the various disabilities from which they suffer. These brave Indian seamen are all Muslims and come from Eastern Bengal and they number as much as 50,000 to 60,000 or more in Calcutta. There exist in Calcutta four or five unions of seamen, three of which, I believe, co-operate with my union and one does not. However, I want to

bring to the notice of this Honourable House . .

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

. . . the grievances which are common to all seamen whether they belong to my union or to any other union, whichever they have chosen to join. These brave seamen, despite the perils of the sea which the war has brought in its train, offer themselves every day in their thousands to dare the perils of the sea and

serve their country.

To prevent corruption in the selection of the men, the Government of India had agreed that their selection should be on the 'open muster' system. My friends would understand this: that is, the number of seamen required for the different liners are selected in an open muster of all applicants. At present the muster takes place in the shipping office. I have visited the shipping office to see how an open muster is conducted. I find that the men assemble in thousands in the compound of the shipping office. Imagine the trouble they have to bear in standing there for hours on end without any shade or protection while the liners go on selecting a few hundred only! Day after day they continue to go to the shipping office and back like a shuttle-cock. I urge the Government to put up a huge shed on the compound in order that these men may have at least protection against the sun and the rains.

The Government should also take such early steps as are necessary to put a stop to the crew ratings wearing the badge of their respective Unions or surreptitiously wearing distinctive marks at the time of selection which is prejudicial to and which actually defeats the object of impartiality in the selection by "Open Muster". I would also urge the introduction of the Roster System in the selection of these men as otherwise justice is not done to many of the seamen who assemble there for work. For instance, some seamen who have been discharged and have already earned some money, immediately offer themselves in the "Open Muster" selection and get selected again, while others who have been out of employment for months together do not get an opportunity. Therefore it has been proposed, and the proposal has met with the approval of the

[Sir Abdui Halim Ghuznavi.]

Government, that there should be a Roster system so that every one will have the advantage of being employed in rotation. Under this system those seamen who are discharged are not immediately eligible for further service. This system

niust be introduced without any delay.

It is my opinion, Sir, that the Deputy Shipping Master should be selected from the I.C.S. cadre and must be a Muslim other with two additional Deputy Shipping Masters to assist him. The work that has to be done is huge and it is impossible for one man to do it. He has to select seamen in their thousands every day and one Deputy Shipping Master must find it impossible to do that job. And as the whole lot of seamen are Muslims, I say that not only should the Deputy Shipping Master come from the I.C.S. cadre but he should be a Muslim as well. The Government of India should also appoint a Seamen's Welfere Officer and not leave it to the Provincial Governments to appoint such an officer. Nor should this officer be a Police officer.

I suggest that the shipping office should be provided with a Prayer Room, as thousands of Muslims assemble there every day and on Fridays the signing on must be discontinued for one hour to enable these men to say their Friday

Prayers.

The Government should also immediately build a Seamen's Home for these seamen in Calcutta. Their present lodgings, which I have myself visited, are in such hopelessly uninhabitable condition that I only wonder why the death rate is not as high as 90 per cent. instead of 10 per cent. These seamen are exploited by the lodging-keepers who offer nothing but filthy, dirty, beastly dungeons in which the poor men flock together like cattle until they are fortunate enough to get employment and clear out. The Government should, without delay, start building up the Seamen's Home for these men in Calcutta, for which the Government, I understand, have a programme; and if the Roster system is introduced, the number of seamen present in Calcutta at a given time would automatically be reduced in view of the fact that only such seamen who would be eligible for service under the system would turn up.

The seamen have generally to wait long before they procure employment in Calcutta and they do not have the means to pay for food. At present the lodging-keepers fleece them by lending money on usurious interest, repayable when employment is secured. I urge the Government to create a fund for Khoraki so that small advances for Khoraki may be made to these seamen when they are stranded.

This Department is in the charge of my Honourable friend, Mr. T. S. Pillay, and I must state here that I have always found him sympathetic and willing to serve the cause of these poor seamen. I know that he will do his best to remove the many grievances of the Indian seamen some of which I have just pointed out.

Before I pass on from the subject of workers, I feel bound to mention a few words with regard to the labour employed in the Calcutta Docks for shore-work under the Port Commissioners. Ever since the opening of the Kidderpore Docks, the sub-contract for the supply of labour to the Docks has been assigned to Messrs. Bird and Co. They supply the labour to the Port Commissioners. Now. I am sure I will find in this House due appreciation of the extent to which the efficiency in clearance of ships that enter the Port of Calcutta from time to time has a direct bearing on the war effort of this country. On the efficiency and speed with which the loading and unloading is effected in this Port depends to a large extent the speed with which the materials necessary for the fighting forces in the front travel. In April, 1942, owing to the Japanese menace in the Bay of Bengal, the Docks in Calcutta were practically closed to traffic. But when they re-opened subsequently, there was acute shortage of labour and the shipping companies began experiencing difficulties. Then after the air-raids

on Calcutta in December last, the remaining labour too fled. It was evident that, unless the labourers were promised better remuneration, it would not be possible to find any at all. The Port Commissioners did not do anything effect-, ive to procure the labour necessary nor did Messrs. Bird and Co., in their turn, offer sufficient inducement for the labour to return and work. apprehensive that if they yielded to the demand of the labour, the rates would run sky-high during the war which will have its own repercussions after the war. It was patent that under the conditions obtaining in Calcutta no labour was available unless they were well remunerated. They had to be paid better because the cost of living had substantially risen and the black markets were playing havoc after the raids. I speak with some personal experience of running a govemmental institution, namely, the Co-operative Milk Societies Union. After the air raids the labour employed by the Union also fled; but milk had to be sup-The obvious solution was to import and employ labour on attractive remuneration which entailed payment of double or even 'treble the original wages. In the case of the Dock labourers, those responsible decided to sacrifice the cause of the war effort at the altar of money.

My submission is that either Messrs. Bird and Co. must be notified to procure labour by paying them adequately or the Port Commissioners must forthwith withdraw the monopolistic sub-contract vested in them and then call for tender for the supply of labour. This fantastic adhesion to Messrs. Bird and Co. as the sole suppliers of labour is costing the war effort much by seriously hampering the efficient and quick loading and unloading of vessels, so vital at this

:stage.

I would ask for the indulgence of the House to let me say a few words on the

present general situation in the country before I conclude.

There seems on the Government Benches some impatience at the criticisms levelled against the size of the expenditure on Defence. They argue that every other country engaged in this war against aggression has had to spend at least as much as India. I do not deny that the expenditure, having regard to the nature of the war, of the risks to which we are exposed, and the action that has yet to be taken to defeat the aggressor powers, may be unavoidable; but there is a fundamental difference between what other countries are doing and ourselves; those countries are spending with the willing consent of the people. while in India the money is being taken from us. No one can pretend that this House, as at present constituted, represents the people of India. Any one with eyes to see realises that the estrangement between the British authorities and Indians is daily widening. It is fortunate for this country and for Britain that the danger of invasion has receded; but would any one be surprised that in the state of bitterness that exists there should have been defeatist talk and defeatist activities when that danger was imminent? It is easy to wax indignant at such talks and activities, but they were, and are, inherent in the political conditions which exist in this country. If the tide of invasion should again approach this country, which God forbid, you will hear and see them again. The fact that the tide has receded, however, is no justification for giving up the attempt to mobilise opinion in this country by bringing about a drastic charge in the political machinery which alone can have this effect. Surely, Sir, the highest statesmanship is to vigorously tackle the problem now, when no one can say, as was said at this time last year, that it is only fear of a superior force that will drive the British to part with power. My British friends often express surprise at the distrust of British motives which exists, but if they will stop to ponder over the history of the past three decades, they cannot fail to realise that promises of advancement were practically always forced upon them by perilous or difficult situations, and when the danger had receded the authorities again relapsed into the torpor, which characterises their traditional attitude towards the constitutional advancement of this country. Let there be no mistake about this. While there exists great distrust between Hindus and Muslims, both alike bitterly

[Sir Abdul Halim Ghuznavi.] resent the British domination and this situation can only be remedied by constant and high endeavour not only on the part of the two communities to come to a settlement but on the part of the British Government to part with power and act between the communities as an honest broker. It is only by steady and persistent endeavour on these lines that anarchy can be avoided and the continuance of India within the British Commonwealth of Nations ensured. Is this too much, I ask, to expect of British statesmanship? (An Honourable Member: "It is.") If it is, then the continuance of the Empire in the better sense of a League of Nations with the different nations bound together by common aims, common ideals and by equality of citizenship, is doomed.

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): Don't say

Empire. Call it "Commonwealth".

Sir Abdul Halim Ghuznavi: It is doomed not because of the military might of aggressor nations, not because of any defeats that they may be able to inflict upon the Allies, but because of the loss of those high ideals, those high and self-sacrificing endeavours which built up the Empire and which alone can adapt it to new conditions and make it endure. It was a great British political thinker who pronounced the dictum that "Great Empires and little minds go ill together". That is a great truth on which my British friends will do well to ponder.

My complaint against the Government of India as now constituted is that by their action in connection with Mahatma Gandhi's fast they not only missed a great opportunity of bringing about an atmosphere in which reconciliation both between communities and between them and Government would have been possible, but that they have in the process lost to India the services of three Members of the Council who had the largest support of the people of this country. It was fortunate that Mahatma Gandhi survived his fast, but that does not affect the merits of the course that was pressed upon Government when Mahatma Gandhi's condition was reported to be grave, not only by the three Members who resigned but by the Leaders' Conference that met in Delhi on the 19th and 20th February. The members of that conference were not what the Honourable the Home Member is so fond of describing as "rebels". They were, if I may use the same parlance, "loyalists" and voiced the universal feeling in the country for the immediate and unconditional release of Mahatma Gandhi on purely humanitarian grounds. These leaders were not supporters of Mahatma Gandhi's political programme or of his political tactics, but they demanded Mahatma Gandhi's release because they know the hold that Mahatma Gandhi has on the affections of all classes of the community on account of his saintly character and of the spiritual contribution he has made to the thought and life of the world in general. If, Sir, Mahatma Gandhi had died, no argument would have availed to convince the people, whether rebels or loyalists, that the responsibility for that was his alone. The gulf between the people and Government would have widened so much that no reconciliation between them would have been possible. The "Shadow of Amritsar" which the late Duke of Connaught deplored as having lengthened over the face of India would have been nothing to the shadow of Mahatma Gandhi's death for which the British authorities would have been held responsible. Although the Honourable the Home Member and men with little minds may exult over the result, it is only Providence which has saved the British Government . . .

Pandit Nilakantha Das (Orissa Division: Non-Muhammadan): Do you mean to say that Providence is in British Government's favour?

Sir Abdul Halim Ghuznavi: . . . and India from that dire fate. Nor let it be supposed that Muslims would have resented his release. No humanitarian act of this kind would have been resented by any right-thinking Muslim, and it is only because the Honourable the Home Member and his kind can never appreciate this, that all sections of the people desire a radical change in

the constitution. On the other hand, if in spite of what had been stated by Government they had released Mahatma Gandhi as a purely humanitarian act in recognition of the value of his life to India and to the world, there would have been such a surge of feeling of appreciation and gratitude born in the people that a new opportunity for reconciliation would have offered itself which, if Government used in the right way, would have enabled them to mobilise public opinion behind them and to find a new approach to the solution of the constitutional problem. No one can believe that the Mahatma would have condoned violence on the part of his followers and though he is entitled, as he claimed, to examine the evidence, the result could not be in doubt. His whole life's teaching should have satisfied Government of that. Furthermore, the response of Mahatma Gandhi's sensitive soul to a great humanitarian act of this kind would have been incalculable. It may well have enlisted the energies of the remaining years of his life to the healing of differences both between communities and between them and Government. It is our misfortune and it is the misfortune of the Empire that those who were responsible are incapable of appreciating the teaching of their greatest political philosopher that "magnanimity in politics is the highest wisdom". It is not too late yet to mend. I have faith in the good sense of the British people, if not the present ruling class, and I hope the day when Britain and India could fully co-operate with each other in establishing and securing permanent peace and tranquility on this globe is not very far off and may fall within my life-time.

Mr. C. M. Trivedi (Secretary, War Department): Sir, may I begin by tendering my grateful thanks to my Honourable friend, Sir Frederick James, for the very warm tribute paid by him to our armed forces. I was glad also that my Honourable friend, Mr. Deshmukh, joined in the tribute. I am sure everyone in this House will endorse most whole-heartedly my Honourable friend, Sir Frederick James' appreciation. The brilliant achievements of our troops, our Navy and the Air Forces in India and their many deeds of conspicuous gallantry and valour have filled us all with pride and have evoked generous admiration from the United Nations and I have no doubt that they

will live for ever in the history of India.

My Honourable friend, Sir Frederick James, referred to the consumption of paper by the Defence Services and stressed the vital need for economy. a fact that the Defence Services are very large consumers of paper, and I do not deny that there is some avoidable waste of paper in the Defence Services, but I can assure my Honourable friend that all possible steps for economy are being, and will continue to be, taken. The monetary grant for stationery to officers and offices has been considerably reduced. The distribution lists of Army publications as well as the set up of printed matter are being reviewed from time to time with a view to reducing the consumption of paper, and substantial results have been achieved. All requisitions for new printing are carefully scrutinised by the War Department to ensure that only such matter as must be printed goes to press, that the minimum number of copies is asked for and that the matter itself is printed in the most economical form. A review of Army Forms has also been undertaken with a view to their abolition, or suspension during the war, or reduction in size or use of cheaper paper, and I understand that about 90 per cent. of the forms listed in the classified list of forms have already been reviewed. Further, a special economy officer has recently been appointed for Defence Headquarters and Commands. It is his duty to ensure, by personal inspection, that economy is being observed, to suggest further economy where this may be possible and to take appropriate action where waste is discovered.

My Honourable friend next made certain observations on publicity in regard to military operations with specific reference to the Burma campaign. Those observations, if I may venture to say so, were very valuable; and I fully endorse them. I will only add that the Directorate of Public Relations

[Mr. C. M. Trivedi.]

is, in fact, guided by the considerations mentioned by my Honourable friend. The majority of war correspondents have taken a consistently balanced view of our operations in Burma, and so has the Indian Press on the whole, though it is true that in certain sections of the Press, particularly overseas, the modest announcement made in the India Command Joint War Communique on the 19th December was hailed as the beginning of the re-conquest of Burma. May I, Sir, quote that communique? It read as follows:

"During the past few days some of our troops have advanced southwards from the Arakan border into Western Burma and had occupied the Maungdaw—Buthidaung area without

opposition from the enemy who abandoned his defences."

On occasions it is advisable for those responsible for publicity to pass over in silence speculations or even exaggerations in the Press in order that the enemy may not obtain information of some value. Subject to this consideration, I may assure my Honourable friend that it has been, and will continue to be, the constant endeavour of the Directorate of Public Relations, through contacts with the Press or war correspondents or by other means to ensure that publicity is conducted in a manner which will avoid either excessive optimism or undue pessimism.

My Honourable friend next asked whether some means could not be devised for giving timely warnings of reduction in allowances to dependants of officers and other ranks, whether "missing" or prisoners of war. The matter has already been taken up, and preliminary examination shows that there may be some difficulties in giving effect to my Honourable friend's suggestion. We are, however, pursuing the matter and will take such steps as are possible to mitigate the hardships to which my Honourable friend has referred.

My Honourable friend next raised the question of the pay of British Service and Indian Army officers taken prisoners of war. The position in this matter was explained by me in answer to a question put by my Honourable friend some time last month, and I need not traverse the same ground again. I would, however, repeat what I said on that occasion, namely, that in no single comparable case is the pay of an officer of the Indian Army, while a prisoner of war, less than the pay drawn by a British Service officer in captivity; in fact, the pay of an officer of the Indian army, while a prisoner of war, is always greater than that of a British Service officer. The statement which I sent to my Honourable friend last month will confirm this. I would like to add that it has now been decided that the marriage allowance and lodging allowance of an officer of the Indian Army will not be cut by 25 per cent, while he is a prisoner of war. In addition, separation allowance which was not granted previously will be given in full. I hope this will satisfy my Honourable friend.

My Honourable friend enquired if passage facilities could be provided for the return to the United Kingdom of families of officers or British other ranks left behind in India. I am not certain whether my Honourable friend has seen the press note dated the 11th February, 1943, on the subject which announced a scheme of free passages for military families. As stated in the press note, every effort will be made to allot passages as soon as possible, but it is obvious that the shipping position may cause considerable delays. I have a copy of the press note here with me, and I will be glad to give it to my Honourable friend.

My Honourable friend next enquired whether the Indian Air Force Squadrons were being equipped or re-equipped with modern aircraft or whether there was still a shortage of such aircraft. The House will recollect that the 10 Squadron plan for the Indian Air Force was announced in the Assembly in November, 1941. The House will be gratified to learn that its completion is now in sight. A certain number of modern aircraft has already reached here, and more are due to arrive. The limiting factor in the 10 Squadron programme is not now the lack of modern types of aircraft, but an insufficiency of trained technical Indian personnel for ground duties. It is our

hope, however, to form seven Squadrons by the end of June, 1943, and to complete the full 10 Squadron programme by the end of this year. This will give us an Indian Air Force exactly 10 times its size at the outbreak of the war, and for the first time in its history India will have a modern Air Force equipped with modern aircraft and able to take an active part in the defence of her frontiers.

In addition to this main 10 Squadron plan we have decided to undertake two further important Indian Air Force expansion measures.

The first measure is the introduction of a scheme for the appointment of a number of Indian Air Force personnel to Royal Air Force staffs and units in India to gain experience in established units working under war conditions. This scheme is wide in its scope, and will eventually not only add thousands to the war-time strength of the Indian Air Force, but also provide trained maintenance staff for the establishment of maintenance and base units behind Indian Air Force Operational Squadrons, when such a course becomes possible and advisable.

The second measure is the Indianisation of Balloon Squadrons. The Indianisation of two Royal Air Force Balloon Squadrons is already progressing and if this is successful, it is proposed to Indianise all Balloon Squadrons in India.

As I said before, the main factor now limiting the rate at which the Indian Air Force can expand is the lack of experienced trained ground personnel; in fact, the Indian Air Force needs thousands of trained Non-commissioned Officers and Airmen technicians if its expansion is to continue. It is in this matter that Government will greatly appreciate the co-operation and assistance of Honourable Members of this House. In this connection, may I say, Sir, that Air Headquarters has made special arrangements for a squadron of the Indian Air Force to be at Delhi Airport on Sunday the 21st March, 1943, with a view to give Members of the Central Legislature an opportunity to see for themselves a modern squadron of the Indian Air Force. I hope that all Honourable Members will accept our invitation to this ceremony, and having seen the Indian Air Force for themselves they will give us their advice and assistance in the matter of obtaining the airmen-technicians necessary for the expansion of the Indian Air Force. With regard to the repair and maintenance facilities for the Air Force in India to which my Honourable friend referred, I may say that all possible steps are being taken to strengthen and expand those facilities so that they may be capable of meeting all operational requirements.

Finally my Honourable friend urged that the question of giving the British emergency commissioned officer in the Indian Army full Indian Army allowance instead of one half as at present should be reconsidered. As my Honourable friend is aware, this question has been examined in the past. I have now examined it once again in the light of the arguments advanced by my Honourable friend in the course of his speech. The first point I would make is that the Indian Army allowance is a special form of remuneration, a form of overseas pay if one may call it so, which was originally designed partly to attract British officers to the Indian service in normal times and partly to compensate officers who undertake continuous Indian service for the disadvantages incidental to it. These considerations have no application to emergency commissioned officers whose service with the Indian Army may be limited to the duration of the war. The second point is that the fact that the regular British service officer seconded to the Indian Army receives full Indian Army allowance is not by itself a sufficient justification for giving full Indian Army allowance to British Emergency Commissioned Officers of the Indian Army.

Some Honourable Members: Why?

Mr. C. M. Trivedi: I am coming to that. Such secondment of regular British Service officers continued in the past for long periods, and the seconded officers were mostly Royal Engineers and officers of the Royal Corps of Signals. The payment of full Indian Army allowance to regular seconded officers is

[Mr. C. M. Trivedi.]

a legacy of long standing and not a new measure introduced during the war. The real criterion is whether the emoluments of British Emergency Commissioned Officers of the Indian Army are adequate or not. In the opinion of the Government these emoluments are adequate. The case of an Emergency Commissioned British officer serving in the Indian Army is comparable not to that of the regular officers of the British service, but to that of the non-regular officers The non-regular officers, if attached to the Indian of the British Service. Army receive half the Indian Army allowance and so do British Emergency Commissioned officers of the Indian Army. The third point I would make is that my Honourable friend is under a misapprehension in thinking that a British Service officer in India draws colonial allowance automatically, if he does not get the Indian Army allowance. Colonial allowance is admissible only to British service officers who are temporarily in India in transit, on courses of instruction or on leave; but they do not draw Indian rates of pay, and the colonial allowance in their case is intended to relate their United Kingdom rates of pay to the cost of living in India for a temporary period. The fourth point is then an increase in the Indian Army allowance to British Emergency Commissioned officers of the Indian Army would accentuate the discontent of Indian Emergency Commissioned officers as it would increase the disparity between the emoluments of I. C. Os. and E. C. Os. I regret, Sir, that Government is unable to accept my Honourable friend's suggestion.

I will now turn to certain remarks made by my Honourable and gallant friend, Lieutenant-Colonel Dr. Sir Zia Uddin Ahmad. I am sorry he is not in his seat. He complained that specifications in the Inspection Branch were vague and ambiguous. This is certainly not true in regard to specifications for armament stores. The specifications for these stores are, I am informed, extremely elaborate and precise, doubtless because any appreciable deviation from them is liable to render such stores completely unsuitable for use. Specifications for practically all general stores are drawn up by Specification Committees appointed for the purpose by the Government of India. These Committees include trade representatives who have knowledge of the capacity of their own trade and its ability to meet the required standard or to produce alternatives. The position, as I understand it, is that specifications are sufficiently clear and unambiguous to suit the trade. If my Honourable friend gives me any particular case of a specification to which his complaint relates, I will have the matter examined.

My Honourable friend next referred to the system of employment of Inspectors on the basis of payment at daily rates. Inspectors are in receipt of monthly salaries, and perhaps my Honourable friend referred to examiners and viewers working under the Controller General of Inspection. It is a fact that until recently these examiners and viewers working under the Controller General of Inspection, were generally on daily rates. This system was found to be unsatisfactory, and a monthly rate for these grades has been introduced with effect from the 1st January, 1943. The Controller General of Inspection is taking steps to bring his inspection personnel on to the monthly rates of pay as soon as he can suitably do so. I hope this will satisfy my Honourable friend. In the Armaments Directorate, the only inspection personnel employed on daily wages are the viewers. I am informed that this system is working quite satisfactorily.

I will now turn to the remarks made by my Honourable friend, Mr. Lalchand Navalrai. He enquired about the progress of Indianisation in the Armed Forces of the Crown. I regret that for security reasons I am unable to state the number of British and Indian officers in the Army, but I will give proportions. As far as regular service officers of the Indian Army are concerned, the proportion at the outbreak of the war was 5.5 British to 1 Indian. The proportion on 3rd September, 1942, was 4.5 to 1. As Honourable Members are aware, permanent Commissions in the Indian Army are not at present

given either to Indian or British officers, and officers for the expanding Forces are obtained by the grant of Emergency Commissions. On the 3rd September. 1940, the proportion of Emergency Commissioned British Officers to Indian officers was 2.75 to 1. On the 3rd September, 1942, the corresponding proportion was 1.5 to 1, that is, 1.5 British to one Indian. In other words, while the number of British Emergency Commissioned Officers has increased since 3rd September, 1940, by about 350 per cent. the number of Indian Emergency Commissioned officers has increased by over 600 per cent. Even taking into account British service officers attached to Indian units, the proportion of British to Indian officers was 75 to 1 at the outbreak of the war and it is now 4.5 to 1. This is striking progress indeed, but I would add that there is practically unlimited further scope for the appointment of Indians as Emergency Commissioned officers. But the difficulty is the shortage of suitable candidates coming forward. This is the universal complaint of Central Interview Boards. The suggestion put forward by my Honourable friend that permanent commissions should be given in order to induce candidates of the right type to come forward is obviously one that cannot be accepted and which I am sure he himself will oppose on further consideration. It would be out of the question both on financial and other grounds to build up an army during the war the basis of permanent employment. As regards the future, some Emergency Commissioned officers would be absorbed in the post-war army. while others will be absorbed in superior civil posts, a large percentage of which has been reserved both by the Government of India and the Provincial Governments for candidates with war services.

As regards the Royal Indian Navy, the proportion of British to Indian officers was 11 to 2 at the beginning of the War, and the proportion now stands as 9 to 5. As regards the Indian Air Force, this is purely an Indian service. Owing however to the fact that fully trained Indian officers are not yet available, it has been necessary to take a small number of R. A. F. officers as a temporary measure. The percentage of R. A. F. officers in the Indian Air Force is only 2.5.

My Honourable friend next complained that there was a large number of British soldiers in the clerical establishment of G. H. Q. This is not true. The total number of Indian clerks, both permanent and temporary at the G. H. Q. is 3,971 as against British other ranks who number only 565. As I explained in the House some time ago in reply to questions, the G. H. Q. is a military organisation, and the constitution of its ministerial establishment must be adapted to its needs. It cannot be compared in all respects to civil offices. The G. H. Q. requires personnel of different types to deal with the questions arising there. It requires a small number of British personnel to deal with work for which military experience, in addition to clerical training is essential. It also requires Indian clerks to deal with other types of work for which military experience is not required.

My Honourable friend next referred to the question of an advertisement for the post of an Assistant Master in the Prince of Wales Royal Indian Military College, Dehra Dun. I am afraid that in the short time available, I have not been able to get all the information, because the office which deals with this is in Simla. But I am informed that the advertisement does not bar applications from Indians and if the Federal Public Service Commission recommends an Indian, I have no doubt that Government will appoint him.

Finally, I would refer to one or two points mentioned by my Honourable friend, Sir Muhammad Yamin Khan, who, I am sorry to say, is not in his seat. He referred to the abuse of staff cars. The position in that respect is that there are orders that staff cars are to be used only on official duties and not for any private purpose, for example, going home for lunch.

Mr. Muhammad Nauman: What is the practice?

Mr. C. M. Trivedi: I have no reason to believe that the orders are not followed, although I am prepared not to deny that there may have been cases of individual abuse. We will continue to maintain vigilance to ensure that the existing orders are carried out and there is no contravention of them.

Sardar Sant Singh: Will you take the same action in India as they did in England when they found that an officer took the car for games and when he

was found out, he was dismissed?

Mr. C. M. Trivedi: We will certainly take action in any case where abuse is proved.

The next point referred to was in connection with some contract for military lorries in Meerut. My Honourable friend Sir Muhammad Yamin Khan who mentioned this did not give full details. Neither have I got any details. But if my Honourable friend gives me particulars I will certainly have the matter looked into. Sir, I have nothing more to say.

Mr. M. Ghiasuddin (Punjab: Landholders): Sir, I should like to make a few observations about one or two matters which at the moment are agitating the rublic mind. I will speak only about two matters generally, that is, one, Indian Overseas and secondly, about employment of demobilised officers of the

army after the war.

Sir, while I am on the subject of Indians Overseas, I must make a public appreciation of the services rendered by the Honourable Mr. Aney to the cause of Indians Overseas. I had the honour and privilege of working with Aney in the Emigration Committee, and I have been watching his attitude on the floor of the House. In the Standing Emigration Committee, his opinions were listened to with the greatest respect by all the Members of the Committee and great weight was attached to them. As head of that Department, he was very frank, very sympathetic and if there were failures, and it is such a Department where failures are bound to occur, he was very frank about it and told the Committee exactly how the things stood. He never allowed either his personal prestige or the prestige of the Government of India to stand in the way of his frankness. He served Indians when they were in greatest need. When owing to the Japanese aggression many of his countrymen had the misfortune of being turned out of countries where they had settled, he was the first to go to their aid, even at his advanced age and he undertook a journey to Assam and there he spent some time at the cost of his health. He is a lovable gentleman who is always prepared to make sacrifice for the sake of his ideals.

Now, Sir, coming to the general question of Indian Overseas, I must say that a large number of Indians who chose to settle outside India are not in a happy position. One should have thought that at a time when this war is on, when Indian soldiers have been making large sacrifices on all the fronts in the defence of the Empire and in the defence of all the sacred principles of human liberty, sacrifices which won the applause both from friends and foes alike, at that time one should have thought that racial discrimination which our nationals are meeting outside India would be done away with. But unfortunately it is not so. One glaring example of such discrimination, I may point out, is the Highlands of Kenya. Even today, Sir, unfortunately, the position in the Highlands of Kenya is the same as it was before.

Mr. President (The Honourable Sir Abdur Rahim): It is Five O'Clock now. The Honourable Member may continue his speech tomorrow.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 16th March, 1943.