

22nd March , 1933

THE
LEGISLATIVE ASSEMBLY DEBATES
(Official Report)

1933

FIFTH SESSION
OF THE
FOURTH LEGISLATIVE ASSEMBLY,
1933



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GOVERNMENT OF INDIA PRESS

1933

M97LAD

Legislative Assembly.

President :

THE HONOURABLE SIR IBRAHIM RAHIMTOOLA, K.C.S.I., C.I.E. (Upto 7th March, 1933.)

THE HONOURABLE MR. R. K. SHANMUKHAM CHETTY. (From 14th March, 1933.)

Deputy President :

MR. R. K. SHANMUKHAM CHETTY, M.L.A. (Upto 13th March, 1933.)

MR. ABDUL MATIN CHAUDHURY, M.L.A. (From 22nd March, 1933.)

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SIR ABDUR RAHIM, K.C.S.I., KT., M.L.A.

SIR LESLIE HUDSON, KT., M.L.A.

MR. MUHAMMAD YAMIN KHAN, C.I.E., M.L.A.

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RAI BAHADUR D. DUTT.

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Committee on Public Petitions :

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MR. ABDUL MATIN CHAUDHURY, M.L.A., *Chairman*. (From 22nd March, 1933.)

SIR LESLIE HUDSON, KT., M.L.A.

SIR ABDULLA-AL-MAMÜN SUHRAWARDY, KT., M.L.A.

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

MR. C. S. RANGA IYER, M.L.A.

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LEGISLATIVE ASSEMBLY.

Wednesday, 22nd March, 1933.

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

QUESTIONS AND ANSWERS.

IMPORT DUTY ON EXPOSED CINEMATOGRAPH FILMS.

853. **Mr. Gaya Prasad Singh** (on behalf of Mr. B. V. Jadhav): Will Government be pleased to state:

- (a) when the import duty on exposed cinema films was first levied;
- (b) how the film was valued at that time and what percentage was levied as duty;
- (c) whether they ever revised the scale of valuation;
- (d) how they came to adopt four annas and a half per foot as the value of foreign exposed films on which import duty is levied; and
- (e) whether they have considered the question of revising the duty under the present circumstances? If not, why not?

The Honourable Sir Joseph Bhoré: (a) and (b). A specific item for cinematograph films was introduced into the Statutory Import Tariff Schedule in March, 1921, when the rate of duty was fixed at 20 per cent. *ad valorem*. Prior to that time these films were assessed to import duty at 7½ per cent. *ad valorem* under a general item covering all manufactured articles not otherwise specified. A tariff valuation for positive films was first fixed in the Tariff Valuation Schedule that came into force on the 1st January, 1921, and the valuation then fixed was 4 annas per foot.

(c) Yes.

(d) The attention of the Honourable Member is invited to paragraphs 153 and 154 of the Report of the Indian Cinematograph Committee, a copy of which is in the Library of the Legislature

(e) No. The Honourable Member is doubtless aware that the Indian Cinematograph Committee did not recommend any increase in the duty on exposed cinematograph films as a protective measure. Actually, however, since the Committee reported, duty has been increased as a revenue measure and is now 37½ per cent. *ad valorem*.

APPRENTICES IN PRINTING IN THE GOVERNMENT OF INDIA PRESS, CALCUTTA, AND IN ENGLAND.

854. *Mr. S. O. Mitra: (a) How many apprentices are there in the Government of India Press, Calcutta, and in England at present?

(b) Do Government contemplate sending any apprentice to England this year for further training? If the answer be in the negative, will Government please state the reasons?

The Honourable Sir Frank Noyce: (a) Four and two, respectively.

(b) The matter is under consideration.

APPRENTICES TRAINED IN PRINTING IN ENGLAND.

855. *Mr. S. O. Mitra: (a) How many trained Government Press apprentices have returned to India?

(b) Have they all been provided with permanent appointments?

(c) What is the scale of pay given to them all?

(d) Are all the superior posts of the Printing and Stationery Department open to them? If not, what are the reasons?

The Honourable Sir Frank Noyce: (a) Four.

(b) Two have been provided with permanent posts as Overseers in the Government of India Press, Calcutta, and the other two are holding posts of Overseers in an officiating capacity.

(c) They are at present drawing pay on the scale of Rs. 250—25—550.

(d) There is nothing to prevent Government selecting them for any appointment in the Department, but they have been recruited with a view to filling those posts for which technical training in printing is necessary.

FILLING UP OF VACANCIES IN THE PRINTING AND STATIONERY DEPARTMENT BY PERSONS TRAINED IN ENGLAND.

856. *Mr. S. O. Mitra: (a) Is it a fact that there occurred on several occasions officiating vacancies in the posts of Assistant Controller of Stationery and Assistant Controller of Printing, and that chances were given to non-technical office Superintendents in preference to England-trained hands?

(b) Is it not a fact that these posts were held by trained printers a few years ago?

(c) Is it a fact that the posts of Deputy Controller of Printing and Assistant Controller of Printing at headquarters are held by non-printers?

(d) If so, are Government prepared to consider that one of these posts go to a printer? If not, why not?

The Honourable Sir Frank Noyce: (a) Yes.

(b) The post of Assistant Controller of Stationery has not been held by a trained printer since 1928. A post of Assistant Controller of Printing, requiring technical qualifications was held by a printer up to 1926 and was abolished in 1927.

(c) Yes.

(d) Not at present. Technical qualifications are not essential for the incumbents of these posts.

OVERSEERS AND ASSISTANT MANAGERS OF THE GOVERNMENT OF INDIA PRESSES.

857. *Mr. S. C. Mitra: (a) Is it a fact that Overseers and Assistant Managers of the Government of India Presses are put on the same scale of pay? If so, why?

(b) Are the responsibilities of these posts the same?

The Honourable Sir Frank Noyce: (a) Overseers are employed only in the Calcutta Press and their present scale of pay is the same as that of the Assistant Manager. The post of Assistant Manager there was created in 1925 and the scale given to overseers was regarded as suitable. But the Assistant Manager has at times drawn the higher pay sanctioned for a selection grade appointment, and this has not been drawn by any one acting as Overseer.

(b) No.

DISTINCTION IN THE SCALES OF PAY OF SUPERIOR POSTS IN THE GOVERNMENT OF INDIA PRESSES.

858. *Mr. S. C. Mitra: (a) Will Government please explain the idea behind the distinction (as far as scales of pay are concerned) made between the recruits to the superior posts in the Government of India Presses before the 1st of April, 1924, and after?

(b) Was there any European recruited to this Department after the 1st of April, 1924? If the answer be in the negative, whom were these reduced scales intended for?

The Honourable Sir Frank Noyce: (a) and (b). The present scales of pay of Managers of the Government of India Presses are applicable only to officers who were employed in the Printing and Stationery Department on the 1st April, 1924, in the grade of overseers or higher posts. This limitation was imposed in order to make it possible to fix lower rates of pay at a later date for Indian incumbents of the posts. No Europeans have been recruited to the department since 1st April, 1924.

SCALES OF PAY OF THE SUPERVISING STAFF OF THE GOVERNMENT OF INDIA PRINTING DEPARTMENT.

859. *Mr. S. C. Mitra: (a) Was there a general revision of pay of the superior supervising staff of the Government of India Printing Department in 1924?

(b) Will Government please lay on the table a statement showing the scales of pay of the supervising staff just preceding the revision of 1924 and after?

The Honourable Sir Frank Noyce: (a) Yes, in March, 1925.

(b) A statement is laid on the table.

Statement showing the scales of pay of the supervising staff of the Government of India Printing and Stationery Department before and after the general revision of 1925.

	Scale just before the revision.	Scale just after the revision.
	Rs.	Rs.
Controller of Printing, Stationery and Stamps	1,500—250/3—2,250	1,500—250/3—2,250
Deputy Controller, Printing	750—50—1,000 <i>plus special pay</i> 150—10—200.	750—50—1,000 <i>plus special pay</i> 150—10—200.
Assistant Controller, Printing (Non-Technical)	500—25—700	500—25—700
Assistant Controller, Printing (Technical)	350—30—500	250—25—550
Deputy Controller, Stationery and Stamps	750—50—1,000	1,000—50—1,250(a)
Assistant Controller, Stationery and Stamps	500—20—600	500—20—600
Deputy Controller, Forms	750—50—1,000	1,000—50—1,250(a)
Manager, Publication Branch . . . . .	.....	450—50—750 <i>plus special pay</i> Rs. 100.
Manager, Calcutta	850—50—1,050	1,250—50—1,500(a)
Deputy Superintendents, Calcutta	550—40—750	.....
Assistant Manager, Calcutta . . . . .	.....	250—25—550 (b)
Overseers, Calcutta	350—30—500	250—25—550(b)
Manager, Delhi	650—40—850	750—50—1,000 (a)
Manager, Simla	800—40—1,000	1,000—50—1,250(a)
Assistant Manager, Simla	350—30—500	250—25—550 (b)
Manager, Aligarh	600—40—1,000	1,000—50—1,250(a)
Assistant Manager, Aligarh	400—20—540	250—25—550 (b)

(a) Applicable only to officers employed in the Department on the 1st April, 1924, in the grade of overseers or higher posts.

(b) One of the holders of these posts may be promoted to the selection grade of Rs. 550—40—750 a month, provided that he was employed in the Department on the 1st April, 1924, his own rate of pay being kept in abeyance.

INTRODUCTION OF NEW SCALES OF PAY FOR SUPERIOR OFFICERS OF THE PRINTING AND STATIONERY DEPARTMENT.

860. *Mr. S. C. Mitra: (a) Is it in the contemplation of Government to introduce new scales for superior officers of the Printing and Stationery Department?

(b) If so, to whom are the scales to apply?

(c) Do Government propose to apply the new scales to those who have entered the Department after the 15th July, 1931?

(d) If so, how do Government propose to effect immediate economy in this direction?

(e) Do Government propose to retire those who have attained the age of 55 or put in 30 years' service and have earned full pension?

The Honourable Sir Frank Noyce: (a) Yes.

(b), (c) and (d). The scales will probably be applied not only to all officers recruited after the 15th July, 1931, but to all officers of the Stationery and Printing Department to whom no other scale of pay is at

present applicable. This will include in the case of a number of appointments all officers entering this Department on or after the 1st April, 1924, and should thus secure a steady reduction in the charges in the near future.

(e) Government have no proposals for applying any special rules in this respect to the Stationery and Printing Department.

STOPPAGE OF SENDING APPROVED CANDIDATES AND RESERVE CLERKS TO THE TELEGRAPH TRAINING CLASSES.

861. ***Mr. D. K. Lahiri Chaudhury:** (a) Is it a fact that Government have stopped sending approved candidates and reserve clerks to the Telegraph training classes?

(b) Is it a fact that owing to a sufficient number of trained signallers in the reserve stock in the Mymensingh Division, Bengal, the permanent combined hands are being transferred every now and then?

(c) If so, will Government please place on the table a statement showing how many permanent combined hands have been transferred during the last one year?

Sir Thomas Ryan: (a) No such order has been issued, but the grants for training classes have had to be substantially curtailed owing to financial stringency.

(b) and (c). Government have no information. The matter is within the competence of the Postmaster General, Bengal and Assam, to whom a copy of the question and of my reply is being sent.

Mr. D. K. Lahiri Chaudhury: So far as parts (b) and (c) of the question are concerned, are Government prepared to make an inquiry and let me know the result in due course?

Sir Thomas Ryan: I hardly think an inquiry is necessary: this relates to a local matter, and the Postmaster General is quite competent to deal with it.

SUNDAYS AND POST OFFICE HOLIDAYS IN THE BARISAL HEAD POST OFFICE.

862. ***Mr. D. K. Lahiri Chaudhury:** Will Government be pleased to place on the table a statement showing:

- (a) the number of staff attached to the Barisal Head Office who enjoyed all Sundays and Post Office holidays;
- (b) the number of officials who get alternate Sundays and Post Office holidays; and
- (c) the number of clerks who are compelled to work on all Sundays and Post Office holidays?

Sir Thomas Ryan: With your permission, Sir, I propose to reply to questions Nos. 862 and 863 together. Government have no information. The matter is within the competence of the Head of the Circle concerned to whom copies of the questions are being sent. The Honourable Member's attention is, however, invited to parts (c) and (d) of the reply given in this House on the 8th November, 1932, to Mr. S. G. Jog's starred question No 964.

SUNDAYS AND POST OFFICE HOLIDAYS IN THE BARISAL HEAD POST OFFICE.

†863. ***Mr. D. K. Lahiri Chaudhury**: (a) Is it a fact that all clerks of the Barisal Head Post Office are not equally treated in respect of enjoying Sundays and Post Office holidays?

(b) Will Government please state the number of clerks attached to the Barisal Head Post Office?

(c) Is it a fact that some of them enjoy all Sundays and Post Office holidays while others have to work on all Sundays and Post Office holidays? If so, why?

RAILWAY MAIL SERVICE APPOINTMENTS ABOLISHED IN EACH POSTAL CIRCLE.

864. ***Mr. D. K. Lahiri Chaudhury**: Will Government please place on the table of the House a statement showing Circle by Circle:

(a) the number of Railway Mail Service time-scale appointments abolished during the period 1st January to 31st December, 1932; and

(b) the number of selection grade appointments abolished during the period of 1st January to 31st December, 1932?

Sir Thomas Ryan: (a) and (b). Government regret that the information required by the Honourable Member is not readily available. His attention is, however, invited to the reply given in this House to Mr. S. C. Mitra's unstarred questions Nos. 235 and 236 on the 12th December, 1932.

RATES OF ALLOWANCES DRAWN BY POSTAL EMPLOYEES AT DARJEELING.

865. ***Mr. D. K. Lahiri Chaudhury**: (a) Are Government aware that the Government of Bengal have grouped Darjeeling with Calcutta, Howrah and Alipur and that the employees at Darjeeling are given the same scales of pay as those at Calcutta, Howrah and Alipur *plus* an allowance?

(b) Is it a fact that the Post Office staff of Darjeeling draw less pay than the postal staff of Calcutta, Howrah and Alipur?

(c) Is it also a fact that the rates of allowance drawn by the employees of the local group at Darjeeling are higher than those drawn by the postal staff of that place? If so, why?

Sir Thomas Ryan: (a) to (c). Enquiries are being made and a reply will be placed on the table in due course.

WORK IN CONNECTION WITH THE DISPOSAL OF THE INWARD FOREIGN MAIL IN THE CALCUTTA GENERAL POST OFFICE.

866. ***Mr. D. K. Lahiri Chaudhury**: Is it a fact that the work in connection with the disposal of the inward foreign mail in the Calcutta General Post Office is done partly by the auxiliaries and partly on overtime allowance? If so, why?

Sir Thomas Ryan: The reply to the first part is in the affirmative; as regards the second part, the Honourable Member's attention is invited to the reply to part (c) of Mr. S. C. Mitra's unstarred question No. 229 of the 12th December, 1932, which was laid on the table on the 16th February, 1933.

†For answer to this question, see answer to question No. 862.

CONTINGENCY ALLOWANCES PAID TO THE POSTMASTERS AND SUB-POSTMASTERS FOR SUPPLY OF ARTICLES OF STATIONERY TO CLERKS.

867. *Mr. D. K. Lahiri Chaudhury: (a) Is it a fact that contingency allowances are paid to the Postmasters and Sub-Postmasters who are responsible for supplying clerks with articles of stationery?

(b) Are Government aware that in most cases the amount is not actually spent for the purpose for which it is paid?

(c) Is it a fact that the clerks have to purchase in most cases articles of stationery from their own pockets?

(d) If so, do Government propose to make an enquiry into the matter?

Sir Thomas Ryan: (a) Contingent allowances for departmental post offices are drawn by postmasters for expenditure on items which include articles of stationery required by clerks in the discharge of their duties.

(b), (c) and (d). Government have no reason to believe that the facts are as stated by the Honourable Member and do not consider that any enquiry is necessary.

ABSENCE OF LATRINES IN THE RAILWAY MAIL SERVICE OFFICES AT SEALDAH AND HOWRAH.

868. *Mr. D. K. Lahiri Chaudhury: Is it a fact that nearly 70 officials (including menials) are working in the Sealdah and the Howrah Railway Mail Service Offices, but that there is no latrine attached to those two offices for their use?

Sir Thomas Ryan: Government have no information. The matter is within the competence of the Postmaster General, Bengal and Assam, to whom a copy of the question is being sent.

GRANT OF HOLIDAY ALLOWANCE TO THE OFFICIALS OF THE SEALDAH AND HOWRAH RAILWAY MAIL SERVICE OFFICES.

869. *Mr. D. K. Lahiri Chaudhury: (a) Is it a fact that the officials of the Sealdah and the Howrah Railway Mail Service Offices are working for 365 days in a year without any respite, but getting no allowances for Sundays and other Post Office holidays?

(b) If so, do Government propose to grant them any holiday allowance? If not, why not?

Sir Thomas Ryan: (a) and (b). Government have no information regarding the precise arrangements for work on Sundays and other Post Office holidays in the offices in question. It seems improbable that the fact is as stated by the Honourable Member but I am sending a copy of the question to the Head of the Circle concerned. There is, however, no question of the grant of any holiday allowance; in this connection the Honourable Member's attention is invited to parts (c) and (d) of the reply given in this House on the 8th November, 1932, to Mr. S. G. Jog's starred question No. 964.

INCREASE IN THE PERIOD OF CASUAL LEAVE TO THE RAILWAY MAIL SERVICE OFFICIALS.

870. ***Mr. D. K. Lahiri Chaudhury**: (a) Will Government please state what average part of leave enjoyed by a sorter during the period of his service is granted on medical certificate and what part of it without medical certificate?

(b) If the statement shows that the Railway Mail Service officials suffer from ill health due to the special nature of their duty, more than the officials of any other department, will Government please state what steps have been taken in regard to their health? Do Government propose to increase the period of casual leave which is at present granted to them?

Sir Thomas Ryan: (a) Government regret that the information is not available.

(b) As regards the first part Government do not consider that any special steps are called for as they have no reason to suppose that the position is as stated by the Honourable Member. In prescribing the conditions of service of Railway Mail Service officials, Government have already taken into account the nature of their duties. The reply to the second part is in the negative.

IMPORT DUTIES ON SUGAR.

871. ***Mr. Muhammad Muazzam Sahib Bahadur** (on behalf of Mr. Nabakumar Sing Dudhoria): (a) Are Government aware of the Sugar Candy Association of Bombay's deputation to the Honourable the Commerce Member regarding the position of import duties on sugar?

(b) If the answer to part (a) be in the affirmative, will Government be pleased to state whether they have started an inquiry into the matter as requested by the deputation? In case the enquiry has been held and finished, will Government be pleased to place on the table the results of the inquiry?

(c) Will Government be pleased to state if it is in their contemplation to impose import duties on sugar to protect the sugar industry in India?

(d) Have Government taken full cognisance of the said Association's demand against Japan?

(e) Are Government prepared to take reciprocal steps against Japan?

The Honourable Sir Joseph Bhoré: (a) and (b). The deputation from the Association named which called on me a short while ago was concerned over the import duty on sugar candy, not sugar. The proposal made by the deputation is engaging the attention of the Government of India.

(c) The attention of the Honourable Member is invited to the Indian Sugar Industry (Protection) Act, 1932.

(d) and (e). I regret I am not able to understand these parts of the question.

Mr. H. P. Mody Apart from any question of protection, does not my Honourable friend think that if the proposal of the Sugar Candy Association were accepted, there will be some increase in the revenues?

The Honourable Sir Joseph Bhoré: That is an aspect of the case which is being examined.

OPTION GIVEN TO CERTAIN INSPECTORS OF ACCOUNTS OF THE EAST INDIAN RAILWAY OF ELECTING THE REVISED GRADES OF PAY.

872. ***Lieut.-Colonel Sir Henry Gidney:** (a) Is it a fact that the Chief Accounts Officer, East Indian Railway, issued a circular letter, No. 341887/2/26, dated the 25th November, 1926, in which he gave the option to the Inspectors of Accounts of electing to accept the revised grades of pay or remaining on in the Company grades of pay?

(b) If the answer to part (a) be in the affirmative, will Government please state what was the sanctioned number of posts in each grade of the East Indian Railway (Company) and Oudh and Rohilkund Railway (junior and senior grades with scales of pay separately) prior to the election of grades, subsequent to the election and after the reduction in 1931?

(c) Will Government please state whether the salary of an Inspector who has elected the State Railway revised grade of pay can be charged against a company grade of pay?

(d) If the answer to part (c) is in the affirmative, will Government please state whether all the State Railway and Company grades are interchangeable?

(e) Is it not a fact that according to the East Indian Railway Company Rules, Inspectors of Accounts stationed at Howrah, Cawnpore and Delhi are entitled to the Company's scale, viz., Rs. 440—20—500?

Mr. P. R. Rau: (a) Yes.

(b) I lay a statement on the table containing the required information.

(c) and (d). I am not sure that I understand this question, but an Inspector who has elected the revised grade of pay will only be entitled to that rate of pay and cannot change over to the Company's grade of pay, and these scales are not interchangeable.

(e) I understand that when the Railway was under Company-management the scale of pay of Inspectors of Accounts at the three stations mentioned was Rs. 440—20—500. Permanent incumbents of the posts who are under the Company's scales of pay are still in receipt of pay on this scale.

Statement.

Sanctioned number of posts in each grade prior to election—

Rs.

E. I. Railway, Grade I	440—20—500	3
E. I. Railway, Grade II	345—15—390	10
E. I. Railway, Grade III	140—10—330	12
Probationary	75—100	9
Special post outside the cadre for miscellaneous inspections	160—10—200	1
O. & R. Railway, Sr. Grade	300—20—500	3
O. & R. Railway, Jr. Grade	120—15—270	8
<u>O. & R. Railway, Jr. Grade (Tempy.)</u>	<u>120—15—270</u>	<u>1</u>

Sanctioned number of posts in each grade subsequent to election from 1st October, 1926—

		Rs.	
Sanction 10 (Sr. Grade	E. I. Ry., Grade I . . .	440—20—500	3
Rs. 290—20—450).	E. I. Ry., Grade II . . .	345—15—390	2
	O. & R. Ry., Sr. Gr. . .	300—20—500	3
	Revised New Gr. . .	290—20—450	2
Sanction 28 . . .	E. I. Ry., Grade III . . .	140—10—330	2
Sanction 1 . . .	O. & R. Ry., Jr. Gr. . .	120—15—270	4
(Jr. Grade Rs. 150—15—270.)	Revised New Gr. . .	150—15—270	22
	Revised (Tempy.) . .	150—15—270	1
Probationary Inspectors 4	Grade Rs. 75—100. . .		4

Sanctioned number of posts in each grade after reduction in 1931—

Sanction (Senior Grade	E. I. Ry., Gr. I . . .	440—20—500	3	
Rs. 290—20—450) 7	E. I. Ry., Gr. II . . .	345—15—390	2	
	O. & R. Ry., Sr. Gr. . .	300—20—500	2	
Sanction (Permanent) 11	E. I. Ry., Gr. III . . .	140—10—330	1	
	O. & R. Ry., Jr. Gr. . .	120—15—270	3	
Sanction (Temporary) 1	Revised new Grade . .	150—15—270		5 plus 2 who have been permitted to retain their pay in the senior scale.
Junior Grade I (Rs. 150—15—270)				
	Revised New Grade (Tempy.)	150—15—270	1	
Sanction (Permanent) 10	E. I. Ry., Gr. III . . .	140—10—330	1	} All these draw pay in Jr. Gr. I but are counted against the sanctioned for Jr. Gr. II.
	O. & R. Ry., Jr. Gr. . .	120—15—170	1	
Junior Grade II (Rs. 120—8—170).	Revised Jr. Grade I . .	150—15—270	8	

Lieut.-Colonel Sir Henry Gidney: I did not hear the last part. Did the Honourable Member say that the permanent incumbents of these posts are still in receipt of pay on this scale? If so, will the Honourable Member please say whether there are any exceptions to his statement?

Mr. P. R. Rau: I have already informed the Honourable Member that permanent incumbents of these posts are still in receipt of pay on this scale provided they are under the Company's scales of pay.

OPTION GIVEN TO CERTAIN INSPECTORS OF ACCOUNTS OF THE EAST INDIAN RAILWAY OF ELECTING THE REVISED SCALES OF PAY.

873. ***Lieut.-Colonel Sir Henry Gidney:** (a) Is it a fact that since the issue of the Chief Accounts Officer's (East Indian Railway) circular, No. 341887/2/26, dated the 25th November, 1926, there have been reductions in the posts of Inspectors of Station Accounts in 1929 and again in 1931?

(b) If the answer to part (a) be in the affirmative, will Government please state whether those Inspectors of Station Accounts who were affected by the reduction in establishment in 1929 were given intimation of the same? If so, when?

(c) Will Government please state why those Inspectors of Station Accounts, who had been borne on the permanent establishment prior to the reduction in 1931, were reduced in salary on absorption as stock verifiers? Is it a fact that they were in receipt of substantive salaries within the sanctioned grade to which they were absorbed, and that it was contrary to the Railway Board's orders on retrenchment and demotion?

Mr. P. R. Rau: (a) Yes.

(b) I understand that none were discharged as a result of the revision of the cadre in 1929.

(c) As regards the first part of the question, retention on a reduced salary was an alternative to discharge. In the normal course, the men rendered surplus should have been discharged, but they were absorbed in vacancies existing at the time in the cadre of Stock Verifiers and as a further concession were allowed to count the service rendered by them as Inspector of Station Accounts for increments in the scale of Stock Verifiers. I regret I am unable to understand what my Honourable friend is referring to in the second part of the question, nor how the procedure adopted was contrary to the Railway Board's orders.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member please say whether this was a concession or a claim they had?

Mr. P. R. Rau: Re-employment, Sir, was a concession.

PERIODICAL INSPECTION OF STATIONS ON THE EAST INDIAN RAILWAY BY THE INSPECTORS OF ACCOUNTS.

874. ***Lieut.-Colonel Sir Henry Gidney:** (a) Is it a fact that the periodical inspection of stations on the East Indian Railway by the Inspectors of Accounts is heavily in arrears, in many cases as much as fifteen months?

(b) Is it a fact that in consequence of the inspections being in arrears the prescribed check has been considerably curtailed?

(c) Is it a fact that several frauds have been perpetrated?

(d) Are Government aware that these Inspectors of Accounts are required to work additional hours to keep up to the schedule time allowed for the inspection of stations?

(e) Is it a fact that when they exceed the time allowed for inspection the night allowance in the case of Company men and travelling allowance in the case of State men are disallowed from their bills?

(f) What steps do Government propose to take to remedy this state of affairs?

Mr. P. R. Rau: (a) and (b). I am informed that the answer to both these questions is in the negative.

(c) Two cases of fraud have been detected during the current year.

(d) No.

(e) This is done only in rare cases when the time has been unduly exceeded.

(f) Does not arise.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member inform this House whether the Geneva Convention of eight hours labour is applied to inspection of accounts?

Mr. P. B. Rau: If my friend wants detailed information on the point, I shall obtain it for him.

Lieut.-Colonel Sir Henry Gidney: Is this department exempt from the Geneva Convention or is it included? That is all I want to know?

Mr. P. B. Rau: It depends on the rules framed under the Convention. I am not sure whether this is exempt or it is not.

Lieut.-Colonel Sir Henry Gidney: Will the Honourable Member please make inquiries?

Mr. P. B. Rau: Certainly.

Dr. Ziauddin Ahmad: I did not follow the answer to the last part?

Mr. P. B. Rau: The reply is in the negative.

NUMBER OF CLERKS IN THE DEPARTMENTS OF THE GOVERNMENT OF INDIA.

875. ***Pandit Satyendra Nath Sen** (on behalf of Pandit Ram Krishna Jha): (a) Will Government be pleased to state the total number of clerks serving in all the departments of the Government of India offices drawing salaries from:

- (1) Rs. 50 to Rs. 100,
- (2) Rs. 101 to Rs. 500, and
- (3) Rs. 501 and above?

(b) How many of them are residents of each of the provinces of Madras, Bombay, Punjab, Bengal, Bihar, Central Provinces and other minor administration areas?

The Honourable Sir Harry Haig: The information is not available, and I do not propose to call for it, as its collection would involve an amount of labour which I do not think would be justified.

SECRETARIES, DEPUTY SECRETARIES, JOINT SECRETARIES AND ASSISTANT SECRETARIES IN THE GOVERNMENT OF INDIA DEPARTMENTS.

876. ***Pandit Satyendra Nath Sen** (on behalf of Pandit Ram Krishna Jha): (a) Will Government be pleased to state the total number of Secretaries, Deputy Secretaries, Joint Secretaries and Assistant Secretaries serving in the various Departments of the Government of India?

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

(c) How many are members of the Provincial Executive Service?

(d) How many of them do not belong to either service, but have been recruited from the Bar?

(e) How many of them come from each of the provinces?

The Honourable Sir Harry Haig: A statement containing the information asked for is laid on the Table.

Statement showing the number of Secretaries, Joint Secretaries, Deputy Secretaries and Assistant Secretaries serving in the Departments of the Government of India.

- (a) Secretaries 11
 Joint Secretaries 6
 Deputy Secretaries 18
 Assistant Secretaries 22
- (b) 26 (Includes 1 officer holding a post borne on the cadre of the Indian Civil Service).
 (c) Nil.
 (d) 2.
 (e)

Province from cadre of which officers of All-India Services are drawn.	Native province of officers not belonging to All-India Services.	Europeans borne on the Central Services.
1	2	3
2 from Madras. 3 from Bombay. 1 from Bengal. 6 from United Provinces. 6 from Punjab. 1 from Burma. 3 from Bihar and Orissa. 4 from Central Provinces.	4 from Madras. 9 from Bengal. 1 from United Provinces. 7 from Punjab. 1 from Delhi.	9

UNSTARRED QUESTIONS AND ANSWERS.

COST AND THE PROFITS OF CERTAIN ENGINEERING UNDERTAKINGS.

102. **Mr. K. O. Neogy:** Will Government be pleased to lay on the table a statement of the cost and the profits of the following great engineering undertakings, under the heads indicated below?

Scheme.	First estimate.	Second estimate.	Actual cost of completion.	Average annual return.
1. Barrage over the Indus at Sukkur.				
2. The Back Bay Scheme, Bombay				
3. The Hydro-Electric Scheme, Mundi.				
4. The Lloyd Dam at Bhatgarh .				
5. The Sarda Canal Scheme .				
6. The Upper Ganges Hydro-electric Scheme.				
7. The Hardinge Bridge at Sarah over the Ganges.				
8. The Mettur Hydro-electric Scheme.				
9. The Paikara Hydro-electric Scheme.				

The Honourable Sir Frank Noyce: The statement appended gives the requisite details, so far as they are available, up to the 31st March, 1932, except in regard to the Hardinge Bridge over the Ganges at Sara which cost Rs. 3,51,32,164 but of which, as it forms part of the Eastern Bengal Railway system, no separate accounts of profit and loss are maintained.

2. No entries have been made under the column "average annual return" as I am not sure what the Honourable Member requires. Of the only two schemes which are complete, in the Sarda Canal Scheme the receipts exceeded the working expenses by Rs. 69,905 and Rs. 55,536, respectively, in the years 1929-30 and 1931-32 while in 1930-31 the receipts fell short of the working expenses by Rs. 2,48,216. In the Ganges Canal Hydro-Electric Scheme, which was completed in 1931, the receipts in 1931-32 exceeded the working expenses by Rs. 40,289.

Statement giving details of certain undertakings so far as they are available up to the 31st March, 1932.

Serial No.	Name of Scheme.	Original estimate.	Revised estimate.	Actual cost of completion.	Average annual return.
1	Barrage over the Indus at Sukkur . . .	Rs. 18,35,47,543	Rs. 20,03,52,000	Rs. Not yet completed.	
2	The Back Bay Scheme, Bombay . . .	(1) 7,19,14,000	(2) 7,23,06,000	Do.	
3	The Hydro-Electric Scheme, Mandi (Uhl River Project) . . .	6,19,52,830	..	Do.	
4	The Lloyd Dam at Bhatghar (The Nira Right Bank Canal) . . .	2,57,72,499	(3) 5,83,07,259	Do.	
5	The Sarda Canal Scheme . . .	9,50,87,583	9,50,80,088	9,82,04,116	
6	The Ganges Canal Hydro-Electric Scheme . . .	1,84,71,137	..	1,60,10,786	
7	The Mettur-Erode-Salem Electric Supply Scheme . . .	5,50,000	..	Net yet completed.	
8	The Pykara Hydro-Electric Scheme . . .	1,26,39,900	1,33,36,640	Do.	

(1) Blocks 1 to 8.

(2) Revised estimate of curtailed scheme comprising blocks 1, 2, 7 and 8 with road connecting blocks 2 and 7.

(3) Revised estimate of enlarged project.

RECRUITMENT OF LADY CLERKS OR TYPISTS IN THE POSTS AND TELEGRAPHS DEPARTMENT.

103. **Mr. M. Maswood Ahmad:** (a) Is it a fact that the Posts and Telegraphs Board meeting of April, 1930 (although not formerly constituted till that month), decided not to recruit any lady clerk or typist, etc., in the Posts and Telegraphs Department (including the Director-General's own office)?

(b) If the reply to part (a) above be in the affirmative, will Government be pleased to state if that decision has been enforced and official orders on the subject issued? If so, when; if not, why not?

Sir Thomas Ryan: (a) No.

(b) Does not arise.

SERVICE UNIONS, ASSOCIATIONS, ETC., RECOGNISED BY GOVERNMENT.

104. Mr. M. Maswood Ahmad: (a) Will Government be pleased to lay on the table a complete statement showing the names of all the Service Unions, Associations, etc., recognised by Government since 1901 and the date of their recognition?

(b) If the information is not available since 1901, will Government be pleased to furnish the information from the date it is available?

The Honourable Sir Harry Haig: The information desired by the Honourable Member is being obtained and will be laid on the table in due course.

GRANT OF SUNDAY AND HOUSE ALLOWANCES TO CERTAIN GUARDS APPOINTED UNDER THE OUDH AND ROHILKHAND RAILWAY RULES.

105. Mr. Gaya Prasad Singh: (a) Has the attention of Government been drawn to the case of some European and Indian guards appointed in 1929 and 1930 under the Oudh and Rohilkhand Railway rules owing to which they were allowed to get Sunday working and house allowances till they were amalgamated last year in the new revised rules of the East Indian Railway as per East Indian Railway Agent's circular?

(b) Is it a fact that in case of not granting Sunday allowances the said guards must be booking off on Sundays?

(c) If not, are Government prepared to grant the said Sunday and house allowances with arrears to these guards as they were getting before?

Mr. P. R. Rau: Government have no information but I am sending a copy of the question to the Agent, East Indian Railway, for any action that may be necessary.

VACANT POSTS DUE TO THE VOLUNTARY RETIREMENT OF CERTAIN CLERKS OF THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

106. Pandit Satyendra Nath Sen: With reference to the reply given to starred question No. 462, dated the 23rd February, 1933, will Government be pleased to state:

(a) how many of the 12 posts are still vacant in the Railway Clearing Accounts Office; and

(b) when it is proposed to fill them up?

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

(b) Does not arise.

**CANCELLATION OF THE NOTICES OF DISCHARGE SERVED ON CERTAIN CLERKS
OF THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.**

107. Pandit Satyendra Nath Sen: (a) With reference to the starred question No. 463, dated the 23rd February, 1938, is it a fact that the clerks, in respect of whom the notices of discharge were cancelled, joined service in the Railway Clearing Accounts Office after the 1st January, 1929?

(b) Is there any rule to the effect that clerks joining service after the 1st January, 1929, are required to pass a recruitment examination?

(c) If so, did the clerks referred to in part (a) pass that examination?

(d) If not, why not?

Mr. P. R. Rau: (a) Yes.

(b) Yes; but the rule refers only to permanent appointments.

(c) and (d). These clerks are temporary and were not required to pass the examination.

RETRENCHMENT IN THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

108. Pandit Satyendra Nath Sen: (a) Will Government be pleased to lay on the table the list of discharged clerks in the Railway Clearing Accounts Office mentioned in the reply to starred question No. 461 (c) and (d), dated the 23rd February, 1938, in order of their service?

(b) Will Government be also pleased to state whether the order of this list will be the criterion for the employment of the retrenched clerks?

Mr. P. R. Rau: (a) and (b). Clerks will be re-employed according to their position in the waiting list maintained for the purpose. Government do not think that it will serve any public purpose to place it on the table of the House.

RETRENCHMENT IN THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

109. Pandit Satyendra Nath Sen: (a) With reference to the list supplied in connection with Government reply to starred question No. 461 (c) and (d), dated the 23rd February, 1938, will Government please state if there are other persons in the Railway Clearing Accounts Office who are in service, but whose names have not been included in the list mentioned above?

(b) If so, why have their names not been included in the list?

(c) What is the special ground for the retention of each?

Mr. P. R. Rau: I am making enquiries and shall lay a reply on the table in due course.

**VOLUNTARY RETIREMENTS IN THE RAILWAY CLEARING ACCOUNTS OFFICE,
DELHI.**

110. Pandit Satyendra Nath Sen: With reference to starred question No. 493, dated the 25th February, 1938, regarding extension of time limit for voluntary retirement in the Railway Clearing Accounts Office, will Government kindly state when they may be expected to reach a final decision?

Mr. P. R. Rau: Two men have in all requested permission to retire voluntarily on the special terms announced and they have been allowed to do so.

APPOINTMENTS MADE IN THE RAILWAY CLEARING ACCOUNTS OFFICE, DELHI.

111. Pandit Satyendra Nath Sen: (a) Will Government be pleased to place on the table of the House:

- (i) the list of men in the Railway Clearing Accounts Office, appointed after the 1st January, 1929; and
- (ii) the list of new men imported from other offices in the following form?

Serial No.	Name of Men.	Name of offices from which imported.

(b) How many of list (i) have passed the recruitment examination?

Mr. P. R. Rau: (a) (i). The numbers so appointed and at present in employment are as follows:

Clearing Accounts Office.

- 10 permanent clerks.
- 6 temporary clerks.
- 5 temporary typists.
- 3 permanent punchers, etc.
- 13 temporary punchers, etc.
- 1 temporary lorry driver.
- 1 temporary caretaker.

Rates Register Experiment.

- 7 temporary clerks.
- 1 permanent typist.
- 1 temporary typist.

(ii) Ten temporary clerks have been taken from other offices. In addition, when certain work was transferred from railways to this office, certain permanent men were transferred along with the work.

Government do not consider that any public purpose will be served by placing a list of names on the table of the House.

(b) Ten.

**ARREARS OF WORK IN THE RATES EXPERIMENT SECTION OF THE RAILWAY
CLEARING ACCOUNTS OFFICE, DELHI.**

112. Pandit Satyendra Nath Sen: (a) Will Government be pleased to state if the works in the Rates Experiment Section under the Director, Railway Clearing Accounts Office, are in arrears?

(b) Is there any suggestion from the office that some additional men should be appointed to make up the arrears?

(c) If so, have Government arrived at any decision as to the above suggestion? If not yet, when are they expected to?

Mr. P. B. Rau: (a) and (b). Yes.

(c) The question of the maintenance of these Registers in future is under examination at present and orders thereon are expected to issue shortly.

**PERSONS WORKING IN THE RATES EXPERIMENT SECTION OF THE RAILWAY
CLEARING ACCOUNTS OFFICE, DELHI.**

113. Pandit Satyendra Nath Sen: (a) Will Government be pleased to lay on the table the list of men working in the Rates Experiment Section of the Railway Clearing Accounts Office?

(b) How many of them have been appointed after 1st January, 1929?

Mr. P. B. Rau: (a) and (b). There are 27 men now working in the Rates Register Section of whom 9 were appointed after 1st January, 1929. Government do not think that placing a list of their names on the table of the House will serve any useful public purpose.

**HINDU AND MUSLIM INSTITUTIONS UNDER THE EDUCATION DEPARTMENT,
DELHI.**

114. Pandit Satyendra Nath Sen: (a) What is the number of Hindu institutions under the Education Department, Delhi, and what is the number of Muhammadan institutions?

(b) What is the total grant-in-aid for each?

Mr. G. S. Bajpai: (a) The number of Hindu institutions is 71 and of Muhammadan institutions 32.

(b) The total grant-in-aid paid so far during this year to Hindu institutions is Rs. 2,23,536-13-0 and to Muhammadan institutions Rs. 94,561-12-0.

**NON-RECOGNITION OF THE UPPER MIDDLE DEPARTMENT OF THE HINDU
HIGH SCHOOL, DELHI.**

115. Pandit Satyendra Nath Sen: (a) Is it a fact that a Hindu High School has got its High School Department recognised while the Upper Middle Department is still left unrecognised?

(b) If so, what is the reason for this anomaly?

(c) Is it a fact that the recognition of the latter department rest mainly with the District Inspector of Schools?

(d) Is it a fact that the District Inspector of Schools as well as the Assistant District Inspector of Schools and the Head Clerk, Superintendent of Education office, are Muhammadans and the Superintendent of Education, a Christian?

(e) Is it also a fact that the Headmaster, Delhi School, is a Muhammadan?

(f) How is it that none of the above responsible posts is held by a Hindu?

Mr. G. S. Bajpai: (a) There is no such school.

(b) Does not arise.

(c) No, the District Inspector makes only a preliminary report as to the suitability of a school for recognition.

(d) Yes, except that two out of the three Assistant District Inspectors are Hindus.

(e) The Head Master of the Government High School is a Muslim.

(f) The Honourable Member's attention is invited to the reply given to starred question No. 1603 asked by Bhai Parma Nand in this House on the 7th December, 1932.

INCONVENIENCES OF INTERMEDIATE CLASS PASSENGERS AT RAWALPINDI.

116. **Sardar Sant Singh:** Will Government be pleased to state if the passengers holding inter class, second and 1st class tickets are allowed to pass by the same gate on the North Western Railway stations? If so, are Government aware that holders of inter class tickets are not allowed to pass by the same gate as the holders of 1st and 2nd class tickets at Rawalpindi Railway station?

(b) Are Government aware that holders of inter class tickets feel great inconvenience at Rawalpindi? If so, do Government propose to take necessary steps to remove this complaint?

Mr. P. R. Rau: Government have no information but are sending a copy of the Honourable Member's question to the Agent, for any action he may consider necessary.

APPOINTMENT OF MUSLIMS IN CERTAIN POST OFFICES.

117. **Mr. M. Maswood Ahmad:** Will Government be pleased to state whether it is a fact that during the year 1932:

(a) 40 clerks were appointed in the Upper Division, in the different Post Offices, in the city of Bombay, and that out of this number only one was a Muslim;

(b) 11 men were engaged in the Railway Mail Service and out of this none is a Muslim;

(c) 12 men were engaged in Baroda, out of whom only one is a Muslim;

(d) 20 men were engaged in the lower division, in Poona, out of whom none is a Muslim;

- (e) 14 men were engaged in Ahmedabad, out of whom only one is a Muslim;
- (f) 15 men were engaged in local offices in Surat, out of whom only 2 were Muslims; and
- (g) 30 men were engaged in Belgaum, out of whom only 4 are Muslims?

The Honourable Sir Frank Noyce: No, the figures given by the Honourable Member are incorrect as he will see from the replies given below to each part of the question.

- (a) There was no direct recruitment to the upper division clerical cadre in the Bombay Circle.
- (b) to (g). The correct figures are as follows for direct recruitment to the lower division clerical cadre to which presumably the Honourable Member refers:

	Hindus.	Muslims.	Indian Christians.	Other communities.	Total.
(b) Railway Mail Service (Bombay Circle)	9	..	1	..	10*
(c) Baroda (Postal Division)	4	2	2	2	10
(d) Poona (both 1st class Head Post Office and Postal Division).	10	5	2	..	17
(e) Ahmedabad (both 1st class Head Post Office and Postal Division).	5	3	2	..	10
(f) Surat (Postal Division)	7	4	..	2	13
(g) Belgaum (Postal Division)		No recruitment was made.			

*These men had been approved candidates, trained in R. M. S. work at Government cost. Orders have however been since issued for the observance of the third vacancy rule in the appointments of such candidates also.

COMMUNAL COMPOSITION OF CERTAIN POSTAL OFFICIALS IN THE CENTRAL AND BOMBAY POSTAL CIRCLES.

118. Mr. M. Maswood Ahmad: Will Government be pleased to state:

- (a) the number of Hindu and Muslim Superintendents of Post Offices, Gazetted Postmasters, Inspectors of Post Offices, Head Clerks to Superintendents of Post Offices, Head Clerks in charge of sections, in the Circle Office of the Central Circle; and
- (b) the same information with regard to the Bombay Circle?

The Honourable Sir Frank Noyce: (a) and (b). Government are in possession of the information only in respect of Superintendents of Post Offices and Gazetted Postmasters, which is given below:

	Hindus.	Muslims.
Central Circle—		
Superintendent of Post Offices	6	2
Gazetted Post Masters	..	..
Bombay Circles—		
Superintendents of Post Offices	8	2
Gazetted Postmasters	5	1

Government do not consider that any useful purpose would be served by collecting the information in respect of the other cadres referred to, as appointments to those cadres are made solely by promotion irrespective of communal considerations.

NON-RECOGNITION OF THE ALL-INDIA MUSLIM POSTAL AND RAILWAY MAIL SERVICE UNION.

119. Mr. M. Maswood Ahmad: Will Government be pleased to state whether it is a fact that:

- (a) there are at present more than 15 Unions, Associations, etc., of Postal employees which are recognised by Government; and
- (b) the only Muslim Employees' Union, namely, the All-India Muslim Postal and R. M. S. Union has not yet been recognised by Government?

The Honourable Sir Frank Noyce: (a) Yes.

(b) Yes.

DESTROYING OF LETTERS, PACKETS, ETC., ADDRESSED IN URDU.

120. Mr. M. Maswood Ahmad: Are Government aware that a large number of letters, packets and other printed literature in Urdu are, instead of being delivered to the addressees, sent to the Dead Letter Office from where they are destroyed? If so, what action do they propose to take to remedy this state of affairs?

Sir Thomas Ryan: No. The circumstances of a letter or other postal article being addressed in Urdu does not render it liable to destruction. Under the statutory Post Office Rules the following classes of postal articles only are destroyed in Dead Letter Offices:

- (1) unpaid letters not securely closed.
- (2) unpaid postcards, and
- (3) unclaimed unregistered articles of the letter mail when all efforts to effect their delivery to the addressees or their return to the senders have failed.

Government do not propose to take any action, in view of what I have stated.

INITIAL PAY OF GRADUATES IN THE POSTS AND TELEGRAPHS DEPARTMENT.

121. Mr. C. S. Ranga Iyer: (a) Is it a fact that prior to 19th September, 1930, there was no order discriminating between graduates in arts, science or commerce for the purpose of starting pay in the Posts and Telegraphs Department?

(b) Is it a fact that graduates and undergraduates in commerce were actually recruited on a higher starting pay admissible to graduates and undergraduates in arts and science and that they were allowed to draw the higher rates of pay for several years in accordance with Government orders of 1920?

(c) Is it a fact that on 19th September, 1930, an order was issued giving the benefit of higher starting pay in the Posts and Telegraphs Department only to those degree and diploma holders in commerce who entered the department after 19th September, 1930?

(d) Is it a fact that according to this order the pay of graduates and undergraduates in commerce already recruited before that date was reduced with retrospective effect and that the pay alleged to have been overdrawn by them is being recovered, thereby bringing them on the same level as the matriculates?

(e) Is it a fact that there is a rule that the pay which is drawn by an official "Under the reasonable belief that he is entitled to it" may not be recovered?

(f) Will Government please state if there is any order giving the graduates and intermediates in science (B.Sc. and I.Sc.) the same benefits of pay, etc., enjoyed by graduates in arts (B.A.)? If not, what led Government to issue special orders regarding graduates and intermediates in commerce only?

(g) Do Government propose to waive recovery from the officials affected and restore their pay thereby putting them on the same footing with other graduates? If not, why not?

(h) Will Government please supply the following information:

(i) the number of graduates and undergraduates in commerce affected in each circle by the order,

(ii) the total amount ordered to be recovered from them,

(iii) the number of graduates and undergraduates in commerce recruited after the 19th September, 1930, and

(iv) the number of graduates and undergraduates in commerce who were *ab initio* denied the privilege of the orders of the Government of India passed in 1920 granting them a higher starting pay to graduates and intermediate passed entrants to the Posts and Telegraphs Department; and why they were deprived of the benefit?

Sir Thomas Ryan: (a) No.

(b) and (d). The concession had been wrongly allowed by local authorities in a few cases, and overpayments were recovered.

(c) Yes.

(e) There is no such general rule.

(f) There is no special order but the concession was originally intended for graduates and intermediates in Arts and Science only. It was not until 1927 that the question was raised, whether the concession should be extended to graduates and intermediates in commerce and subsequently the orders referred to in part (c) of the question were issued by Government.

(g) The matter will be re-examined, but it is not the practice for Government to grant concessions with retrospective effect and it is only if the circumstances are found to be very exceptional that Government will be prepared to revise past orders.

(h) Government regret that the information is not readily available.

STATEMENTS LAID ON THE TABLE.

The Honourable Sir Frank Noyce (Member for Industries and Labour): Sir, I lay on the table the information promised in reply to starred question No. 409 asked by Seth Haji Abdoola Haroon on the 21st February, 1933.

INADEQUATE EMPLOYMENT OF MUSLIMS IN THE CLERICAL CADRE OF THE KARACHI GENERAL POST OFFICE.

*409. (a) and (b) No. There were 35 vacancies and not 16 as stated by the Honourable Member. Of these five were abolished and three were converted into lower division posts and filled up by the promotion of departmental officials. Of the remaining 27 vacancies in the upper division clerical cadre, 12 and not two as stated by the Honourable Member were filled by Muslims.

(c) Does not arise.

Mr. G. R. F. Tottenham (Army Secretary): Sir, I lay on the table the information promised in reply to unstarred question No. 29 asked by Mr. Bhuput Sing on the 25th February, 1933.

OCCUPATION OF SCHOOL, COLLEGE AND LIBRARY BUILDINGS BY MILITARY BATTALIONS IN BENGAL.

29. (a) Government are aware that certain school buildings and two college hostels in Bengal were occupied for short periods by troops and one platoon of the Eastern Frontier Rifles.

(b) Hooghly, Chittagong, Dacca, Rajshahi and Faridpur.

(c) Government have no reason to believe that any serious inconvenience was caused to the public by the use of such buildings by the troops none are occupied at present, but it may be necessary to use them from time to time if no other suitable accommodation is available.

Mr. H. A. F. Metcalfe (Foreign Secretary): Sir, I lay on the table the information promised in reply to supplementary questions to starred question No. 1139 asked by Dr. Ziauddin Ahmad on the 14th November, 1932.

HOUSES BUILT BY INDIANS IN MECCA FOR THE BENEFIT OF INDIAN PILGRIMS.

*1139. During his visit to Mecca in 1931, Khan Bahadur Kunwar Mohammad Ubaidullah Khan, M.B.E., of Dharampur, United Provinces, found several people occupying his house without permission, and as the result of action taken by him, some of these people were expelled.

On his return to India, he corresponded with His Majesty's Minister at Jeddah on the subject of the future management of the property. A power of attorney has been duly legalised by the legation and the Saudi Ministry of Foreign Affairs, whereby Saiyid Aqil Sahib at Mecca will act as Manager under the general supervision of the Indian Vice-Consul at Jeddah.

The conditions of this power of attorney are as follows :—

1. The house will be kept under supervision of Saiyid Aqil Sahib Wakil at Mecca under the guidance of Khan Bahadur Munshi Ihsanullah, Indian Vice-Consul at Jeddah.
2. Only Indian pilgrims will be allowed to reside in the house without rent during their Haj days.
3. Only those Indian pilgrims, who have taken written permission from the said Khan Bahadur Munshi Ihsanullah, Indian Vice-Consul, Jeddah, or from Khan Bahadur Kunwar Mohammad Ubaidullah Khan, M.B.E., of Dharampur or his cousins, Kunwar Abdul Jalil Khan, Kunwar Abdul Jamil Khan or Kunwar Abdul Salam Khan, will be allowed to reside in the house. After the Haj season the house will be closed.

MESSAGE FROM HIS EXCELLENCY THE GOVERNOR GENERAL.

ELECTION OF THE DEPUTY PRESIDENT.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): I have received the following communication from His Excellency the Governor General:

(The Assembly received the Message standing.)

"In pursuance of the provisions of sub-section (2) of section 63C of the Government of India Act, I, Freeman, Earl of Willingdon, hereby signify that I approve the election, by the Legislative Assembly, of Mr. Abdul Matin Chaudhury as Deputy President of the said Assembly."

NEW DELHI;

(Sd.) WILLINGDON,

The 21st March, 1933 }

Viceroy and Governor General "

(After the Message was read, Mr. Abdul Matin Chaudhury took the seat of the Deputy President.)

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): Mr. Deputy President, on behalf of the House and on my own behalf, I wish to offer to you my hearty congratulations on your election as the Deputy President of this House. (Applause.) We have observed your career in this House for over seven years, and, apart from the fact that, whenever you had intervened in the debates, you had made useful contributions, you have been one of the most popular Members of this House. (Applause.) To me it is a matter of personal gratification that one whom I have known intimately and with whom I have worked in close co-operation has been called upon to fill this office, and I confidently expect from you valuable help in the work of this House, and I have no doubt that you will so conduct yourself as to prove worthy of the confidence that this House has placed in you. (Applause.)

Mr. Abdul Matin Chaudhury (Mr. Deputy President): Mr. President, I thank the Honourable Members of this House for the great honour that they have done me by electing me to this honourable position. All I can say at the moment is that I shall try to prove worthy of the office which I have been called upon to occupy. I must confess, Sir, that my knowledge of the rules and procedure of the House is for the moment absolutely blank, but I hope I am not too old to learn. (Hear, hear.) As Deputy President, I realise that I have got a double function to perform. As a Member of the Opposition, like the Irishman, Sir, I have been always against the Government (Hear, hear), but, Sir, when called upon to preside over the deliberations of this august body, my watchword will be, as you said in your address to this House, "impartiality". I hope, Sir, I should be able to discharge the duties of the office to the satisfaction of all concerned. (Applause.)

THE INDIAN FINANCE BILL—*contd.*

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): The House will now resume consideration of the Finance Bill, clause by clause. Clause 4 relates to Schedule No. I. I, therefore, propose to take Schedule No. I first.

The question is that Schedule I stand part of the Bill.

Mr. T. N. Ramakrishna Reddi (Madras ceded Districts and Chittoor: Non-Muhammadian Rural): Sir, I beg to move the amendment that stands in my name, namely:

"That in Schedule I to the Bill in the proposed First Schedule to the Indian Post Office Act, 1898, before the existing entries under the head *Letters*, the following new entry be inserted:

'For a weight not exceeding one tola..... Nine pies'."

Sir, the Honourable the Commerce Member last year in reply to an amendment for a reduction of the increases in rates for the postcards and letters stated that he did not require, from the galaxy of amendments that had been given notice of, any reminder of the interest that Honourable Members were taking in the matter of postage rates. He did not, however, put his sympathy to practice; on the other hand, he had increased the rates for the postcards by 50 per cent. and for the letters by about 25 per cent. He said on that occasion that if we did not approve the rates that he had proposed, it would mean that we were shirking our duty, that we were only giving expression to lip sympathy for the poor people, and that we were trying to throw the burden upon the poor people rather than bear the burden ourselves who were in a much better position to do so. He said that, if it was the intention of Honourable Members to relieve the poor tax-payers of the burden, it was incumbent upon the House to accept the higher rates.

Sir, there are two fundamental fallacies in that statement of the Honourable the Commerce Member. In the first place, the poor people will not suffer by these increases in the rates. As a matter of fact, there are millions of poor people, uneducated people who do not take to post office at all. They will not be affected by any increase in the rates. On the other hand, there are a few rich who can easily bear any slight increase in the rates. Leaving aside these two extreme cases, we will find that there are about a couple of millions of people in this country who have to bear the brunt of these increased rates. So, Sir, the burden of increase has to be borne by the lower middle class people who usually resort to postal communications. The Honourable Member calculated that, out of 350 millions of people, there are about 50 millions of people who generally write letters and take to postal communications and, therefore, the burden would be very light. He calculated that the burden would be about three pies per month on such people; so it was not a very great burden and the people could easily bear it. I beg to submit that it is not the case. It is generally the literate people that write letters, the large mass of uneducated people in this country do not take to writing letters. Supposing the percentage of literacy to be about two per cent., it would come to about six millions of people who are literate in the whole of India. Of these six millions, those who write letters will be only about two millions. The other four millions know how to read and write only in name, but they are not in a position to communicate by means of letters. Of these two millions, there are, we may take it roughly, about one million people who are rich and, therefore, could not feel the burden. So there will be only about one million people who have to bear the burden of these increases in rates. This rise in the rates for letters and postcards will be a great burden in the case of this small percentage of the population in India. So even if they have to bear the burden at the rate of only one rupee extra per month, it would be a

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very great burden indeed, because their resources are slender. It is not, as my Honourable friend said, three pies per head per month, but it is something like one rupee extra burden for this limited class of people. It will really be a very serious burden.

Then, Sir, the Honourable Member said that we must pay for the services we get and that the richer people must bear the burden so that the poor people may be let off lightly. Here also I shall prove that the increases in rates fall more heavily on the poor people than on the rich people. Sir, before 1922, the price of a postcard was quarter of an anna, and that of a cover was half an anna. Then they raised the rate for the cover from half an anna to one anna and, then, by the Indian Finance Supplementary Act, they raised it to one anna and three pies. When they did that, they also raised the weight of the letter from one tola to $2\frac{1}{4}$ tolas. Here, Sir, I submit, this rise in the weight of the letter is only to benefit the richer people and not the poorer people. It is only the rich people and people who can afford, that write letters in thick papers. It is the mercantile people and others who write heavy letters with a number of pages in their letter and, so, even though the rate was half an anna in 1922, they had to pay extra charges for their letters on account of their heaviness. At that time, the weight was only one tola per letter. This increase from half an anna to one anna and subsequently to one anna and a quarter has not affected them, because they still continue to pay the same thing which they paid before. On the other hand, if a man with slender means has to write a letter, even though the weight of that letter comes within one tola, he has yet to pay a higher rate of one anna and a quarter and thus it is only the poor people who have been hit by this increase in the weight of this letter. That is why I have now proposed in my amendment that there should be an intermediate rate for the letter. For the letter weighing one tola the price should be three-fourths of an anna. That would really relieve the burden for the poor. Again, it is said that the richer people are shirking the burdens and they want to throw the burden on the poor. That is not the case. I can illustrate this point. It is a well-known fact that the post office is paying its way.

The Honourable Sir Frank Noyce (Member for Industries and Labour): I regret to contradict the Honourable Member, but it is news to me that the post office is paying its way. I wish it were.

Mr. T. N. Ramakrishna Reddi: Till a couple of years ago, it was the post office that was paying its way and the heavy deficits were only on the telegraph side. Taking both the postal and the telegraph side, the deficit has come to some lakhs. If you want to see that the poor people are not put to such heavy burden, then your clear duty ought to have been to increase the rates for the telegraph and telephones. These are the luxuries of the rich people and it is very rarely that these poor people resort to telegraph and telephones. When I deal with the figures of revenue and expenditure, I will develop that point. At present I may mention that you should increase the rates for the telegraph and the telephone.

Then, Sir, the Honourable the Commerce Member last year said that there has been a great deficit in the Post and Telegraph Office and so there is no other way but to raise the postal and telegraph rates and he

said that, by raising these rates, there will naturally be a fall in the volume of correspondence, but that will be more than compensated for by the increase of revenues which the Government would get. He has illustrated this point by making some mathematical calculation. He said that in the previous years, taking the average of the years from 1922—1933, the average increase of correspondence is about 10 millions of card and 10 millions of covers. So the usual increment in the revenue per year would be about three lakhs of rupees if the rates continue to be the same. He said that by the enhanced rates which he had proposed last year, there might be a fall of hundred million cards and hundred million letters, but yet on account of the higher rates he would get an increased revenue to the extent of 24 lakhs in the sale of cards alone. The fall in correspondence will be more than compensated by the rise in the revenue which the Government would get and not only that, on account of the fall in traffic, they can retrench some of the staff and thus also the Government stand to gain. Here also this forecast of the Honourable the Commerce Member has been disproved by actual facts. With regard to the fall in the volume of correspondence and thereby dispensing with certain staff, I beg to submit that by mere fall of hundred millions of letters, it is not possible to retrench any of the staff. That is only an argument that could be used to support their case, but it has no foundation in actual practice. Take a particular post office. Supposing 100 letters were going every day and that on account of the fall, the correspondence falls to 50 letters, still you maintain the same staff, the same postmaster, the same runner, and so you cannot retrench the existing staff.

The Honourable Sir Frank Noyce: The staff is reduced proportionately to the traffic, not, it is true, in strict proportion, but it is reduced as the traffic falls.

Mr. T. N. Ramakrishna Reddi: I shall endeavour to disprove this statement. Now, a runner has to carry, say, 100 letters. On account of this fall in the correspondence, he is now to carry only 50 letters. Are the Government prepared to dispense with that runner on that account? Certainly not, because there will then be no one to carry those letters. So, whether he carries 50 letters or 100 letters, he has got to be maintained. It is only in extreme cases when the revenues fall very considerably that the Government might close a particular office here or dispense with a runner there and thus effect some retrenchment, but not by reason of a short fall in the volume of correspondence. With regard to the higher revenue which the Government hoped they would get on account of this rise in the rates, we on this side of the House have already sounded a note of warning to the Government that already the taxation in India has reached such a high level that it is impossible for the Government to realise the money which they hoped they would get on account of this heavy taxation. Sir, it has been amply illustrated ever since 1930 when the era of additional taxation commenced that the revenues have dwindled and it is only on account of this very heavy taxation that they are getting as much revenue as they were getting at the time when there were lower rates prevailing. That clearly shows that the law of diminishing returns began to operate since 1930. We also sounded a note of warning last year that even in spite of the increase of these rates, the Government are not going to get the revenue which they had expected, but the Government were bent upon increasing the rates and they calculated that they would

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get about Rs. 50 lakhs additional revenue; but what is the result? In 1928-29, while the old rates were in existence, that is when the postcard was sold at half an anna and the cover at one anna, the revenue was Rs. 7,54,00,000 odd. In 1929-30, it was Rs. 7,89,00,000 odd. In 1930-31, it was Rs. 7,50,00,000. This slight decrease in 1930-31 has been due to the extreme depression in trade and so many other causes which I need not dilate upon here. But what do we find after you imposed these heavy increases in the value of postcards and covers? For 1931-32, we have not yet got the review of the working of posts and telegraphs ready yet. But we find from the volume for demands for grants that the revised estimate for 1931-32 is only Rs. 7,42,00,000. Thus there is a fall of nearly ten lakhs, and that too when in that period these higher rates have operated only for six months and not for the full year; and now for 1932-33 in which the higher rates have operated for a whole year, according to the revised estimates the revenue is Rs. 7,20 lakhs. That shows that there is a fall of nearly Rs. 70 lakhs from the revenue which we got in the year 1929-30 and of about Rs. 80 lakhs from the revenue for 1930-31; and for the present year you have budgeted only for a revenue of Rs. 7,28,00,000 from the Post Office side. Thus you will realise that there has been a precipitate diminution in the revenue. This heavy fall in the revenues is directly attributable to the increase in the rates for postcards and covers. Of course we must congratulate the Government on having appointed a Retrenchment Committee with a view to reducing the expenditure. Before 1926-27, the Post Office was paying its own way and it was getting additional revenue. In 1926-27 there was a net saving of Rs. 21 lakhs and in 1927-28 there was net saving of Rs. 24 lakhs, whereas the Telegraph Department has always been a drag on the Post Office. Even in 1926-27, there was a deficit of Rs. 12 lakhs and, in 1927-28, there was a deficit of Rs. 29 lakhs in the Telegraph Department. It was only in 1928-29 that the Post Office began to yield a diminishing revenue. Even then it had been yielding more revenue than in the previous years, but on account of the revised rates of pay for the lower staff, it has begun to show a net deficit of Rs. 25 lakhs; and, in the year 1928-29, the telegraph side showed a deficit of Rs. 29 lakhs. In 1929-30, there was a deficit of 21 lakhs in the Post Office, whereas there was a deficit of 42 lakhs in the Telegraph Department. In 1930-31, there was a deficit of 62 lakhs in the Post Office and a deficit of 61 lakhs on the telegraphs side. It is thus clear that it is the telegraph side and the telephone side that are mostly contributing to the loss in working, and if the Government want that the burden should be distributed equally, they ought to raise the rates for telegraphs and telephones and not the rates for postcards and letters; and that is why I now propose an intermediate rate, thereby reducing the value of a cover to three-quarters of an anna when weighing one tola. In the first instance, on account of the reduction in rates, there is sure to be found an increase in the volume of correspondence. In this connection it may be noted that the population has risen by 30 million in this decade and literacy has also spread. So, many more people than in former years will take to correspondence if only proper facilities are provided. By reducing these rates many poorer people will also take to correspondence. Thus there will be an increase in the volume of correspondence which in itself will yield an additional revenue to the Government. In the second place, the Postal Department has been considered to be a public utility department

and the successive Honourable Members for Commerce have reiterated that they would not expect to get any profits to the Government, but that it would be enough if it is made self-sufficing. So, the Post Office will again become a public utility department serving the people of this country. Then, in the next place, you are still retaining your higher rates. That means that the rich people continue to pay higher rates, because the volume of their correspondence will be heavy and the income will not be diminished. So, by adopting this amendment, you are doing good both to the poor people and also you stand to gain by the increase in the volume of correspondence. I, therefore, commend the amendment which stands in my name to the acceptance of this House and I hope Government also will find their way to accept it. With these words, Sir, I beg to move my amendment.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): Motion moved:

"That in Schedule I to the Bill in the proposed First Schedule to the Indian Post Office Act, 1898, before the existing entries under the head *Letters*, the following new entry be inserted:

'For a weight not exceeding one tola Nine pies'."

The Honourable Sir Frank Noyce: Sir, following the example of my Honourable friend, the Finance Member, recently, I might reply to this amendment in one sentence. It will cost me 62 lakhs and I cannot afford it. But, Sir, that would not be treating the House fairly and I think it would save the time of the House and enable my Honourable friends opposite to decide the line they will take in dealing with subsequent amendments of the same nature if I were to review the whole position now. I trust that that course will commend itself to my Honourable friends opposite.

Now, Sir, I know of nothing which would have given me greater satisfaction at the end of my first year's tenure of the Industries and Labour Membership than the inclusion in the Budget of proposals for the lowering of the rates for letters and postcards. It is a matter of profound regret to me personally that our review of the existing conditions has forced us to the conclusion that this cannot be done without a departure from the policy which a study of the debates on this subject during the last decade has shown me is the policy which has on most—I cannot say on all—occasions commended itself to this House. That policy is that those who make use of the facilities provided by the Posts and Telegraphs Department should pay just as much, but not more than it costs to provide them and that the general tax-payer should not be called upon to shoulder burdens which should rightly be borne by the senders of letters, postcards and telegrams. I hope that I shall be able to convince the House that no other conclusion was possible in the circumstances. But, in order to do so, I must crave its indulgence if I review very briefly the financial results of the working of the Posts and Telegraphs Department since the year 1925-26, in which year its accounts were re-constituted on commercial lines.

The accounts for 1925-26 showed a profit of 37 lakhs. In the next year (1926-27), they dwindled to ten lakhs and that, I am sorry to say, was the last year in which the Department has shown any profit at all. The loss of 26 lakhs in 1927-28 increased to 54 lakhs in 1928-29 and to 62 lakhs in 1929-30. In 1930-31, it had reached the colossal figure of 188

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lakhs but, in 1931-32, it was reduced to 94 lakhs. Now, Sir, to complete the picture I would add that, as Honourable Members who have studied the Budget figures, as my Honourable friend, Mr. Ramakrishna Reddi, has done, are aware, we anticipate a loss of 48 lakhs in the current year and of 57 lakhs next year. Now, although the deterioration in the financial position up to the end of 1928-29 gave some cause for anxiety, it was in the main attributable to the substantial improvements in the scales of pay of the lower paid staff throughout the Department which had taken place in the years 1925-26 to 1928-29. Although the heavy commitments thus incurred had involved the Department in serious losses, it was then anticipated that, as a result of a normal growth of revenue, financial equilibrium would again be reached by the end of next year, that is, by the end of 1933-34, without having recourse to any enhancements in the post and telegraph tariffs. I should like, if I may, to digress here for a moment to refer to some observations which have recently been made in this House and which seemed to charge the Government with extravagance in recent years in raising the pay of the subordinate staff of the Department. We were reminded yesterday by my Honourable friend, Mr. Ghuznavi, that memories are short and I should like to remind the House that, whatever may be said on this subject now, it is an undeniable fact that it was under strong pressure from the Benches opposite that my predecessor, Sir Bhupendra Nath Mitra, undertook and carried throughout his term of office the programme of improvement of pay to which I have just referred. In one of his last speeches in this House, speaking on this subject he said:

"If I am entitled to any credit for what has been done for these people in the last four or five years, surely the House is entitled to the fullest share of that credit; for it is due to continued pressure from Members of this House that that action has been taken. The pressure began with my Honourable friend, Mr. Jinnah, in the early days of 1925 just after I had taken over charge of my present portfolio and it has been continued practically from day to day by the various Members in various quarters of this House".

Every new rate of pay, I should like to emphasise, has been put before the Standing Finance Committee without exception and all the rates of pay were revised with the warm approval of that Committee. This House, therefore, shares the fullest responsibility with Government for any extravagance there may have been in raising the rates of pay in the Posts and Telegraphs Department.

Now, Sir, the economic cataclysm from which we have unfortunately not yet emerged put an end to the anticipation to which I have referred that there would be an early restoration of financial equilibrium in the Posts and Telegraphs Department and, instead of an increase in the revenue in 1930-31, there was a fall of 47 lakhs. Since then, as this House is also well aware, especially in the course of a debate such as this, economic conditions have steadily worsened and it has been necessary to take the most drastic steps in order to lessen the enormous and increasing chasm between the receipts and expenditure of the Department. Those steps again, as the House is well aware, have taken two forms.

12 Noon. On the one hand, we have had to carry out the most extensive retrenchment in the Department, and, on the other, we have had to raise our postal and telegraph rates. These measures have not yet proved entirely successful in bridging the gap, but it will be seen from the figures I have just quoted that last year the loss was reduced by nearly 40 lakhs

while, during the current year, we anticipate a further reduction of 46 lakhs. It has, however, to be remembered that the partial remission of the pay cuts will impose an additional burden of about 27½ lakhs on the Department next year, but, in spite of that fact, the increase of the loss during the year is not expected to amount to more than nine lakhs. It must also be remembered that this striking improvement in the position of the Department has been achieved notwithstanding the further deterioration of the general economic conditions obtaining in India and in the world in general which has occurred since 1930-31.

Now, Sir, so far as I have been able to gather in the course of the general Budget discussion, there are four grounds and four grounds only on which my Honourable friends opposite have urged, and I have no doubt will urge, a reduction in the postal rates. The first of these is that the policy of self-support which is the ideal at which we are required to aim and at which we are constantly aiming is a wrong one and that, as a public utility department, there would be no objection to running the Posts and Telegraphs Department deliberately at a loss in the interests of cheap communications. The second is that by reducing the rates,—and this is an argument which has been brought forward by my Honourable friend, Mr. Ramakrishna Reddi,—we should gain either immediately or in the long run by the stimulus thereby afforded to traffic. The third is that there is scope for further economies in the running of the Department by securing which the working expenses would be so reduced as to make up for any loss resulting from a reduction in the rates. The fourth is that the accounts of the Department as now prepared misrepresent the true financial results of the Department's working to its disadvantage.

Now, Sir, I propose to ask the indulgence of the House whilst I deal briefly with all these four grounds. I shall deal more briefly with the first than with any of the others, for I am sure the House will not have forgotten the statement of the policy of the Department which was made by my predecessor, Sir Joseph Bore, in his speech in November, 1931. I do not think there are many Members of this House who would seriously dispute the position that a public utility department should pay its way; and that, as has so often been stated from these Benches, is all the Government expect the Posts and Telegraphs Department to do. It is frequently argued that the Posts and Telegraphs Department has to shoulder many charges, unremunerative post offices in out of the way places, low rates for press telegrams and newspapers and the like, which would not be imposed if it were a purely commercial department which could fix its own charges in relation to the particular classes of traffic. But, Sir, it must be remembered that, on the other hand, the post office has a valuable monopoly. What we expect from it is that what it loses on the swings it should gain on the roundabouts, and that, therefore, the gains and the losses should counterbalance each other. We do not ask from it more than that.

Now, Sir, I come to the second argument that reductions in rates would either immediately or eventually be definitely beneficial to the finances of the Department. That is an argument which found favour in the eyes of the Leader of the Nationalist Party in his remarks the other day when he seemed to think that both the postal and railway deficits would disappear if this course were adopted. I do not know about railway deficits, Sir, but I am perfectly certain that the argument does not hold good as far as the Posts and Telegraphs Department is concerned. I very

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much wish I could agree with him. If agriculture and industry were prospering and it was only the postal receipts which were falling, then there would be every reason to believe that a reduction in postal rates would lead to such an expansion of revenue as would bring about an immediate improvement in the financial position of the Department. But our postal figures are unfortunately only too true an index of world conditions, and, as long as those conditions remain as abnormal as they are at present, it seems to us certain that any reduction in postal rates would involve us in an immediate and heavy loss and that that loss would continue until the depression lifts. With trade and industry, as they are at present, people are not going to write five letters where they have been writing four, nor are they going to send six postcards where they are now sending four. As a matter of fact, they would have to do rather more than this to restore our financial equilibrium. I have had this question of the probable effect on the revenues of the Department of adopting the various proposals that have been put forward in the amendments for reducing postal and telegraph rates very carefully examined by the expert traffic and financial advisers of the Department. The figures they have given me are extremely interesting and entirely bear out what I have just said, that any reductions at the present juncture would undoubtedly lead at the outset to a heavy fall in postal and telegraph revenue. Before I proceed to give a few of them to the House, I should explain that, in estimating the effect of the reductions it has been assumed that they would be followed by an increase in the volume of traffic, although there is reason to think that, as a result of economic pressure, people in India, as in other parts of the world, have acquired the habit of economy in the use of postal and telegraph facilities, that that habit will take some time to outgrow and that it is, therefore, improbable that any reduction we could possibly contemplate would result in a large and immediate expansion of postal and telegraph traffic. Our estimates relate purely to the decreases in receipts, but it must be remembered that increases in the volume of traffic that may result from reductions in postal and telegraph rates would inevitably involve increases in expenditure and these increases would have to be added to the losses represented by decreases in revenue in assessing the financial effect of such changes.

Now, Sir, the amendments which have been tabled vary between two extremes,—my Honourable friend, Mr. Ramakrishna Reddi's coming somewhere in the middle. At one end, we have Mr. Maswood Ahmad's suggestion that the postage on letters should be reduced to six pies and that on postcards to three pies. On the assumption that this would result in a 20 per cent. increase in paid letters and in postcards and in a ten per cent. increase in unpaid letters,—which, the House is probably not aware, form a not inconsiderable proportion of the correspondence which passes through the post,—we estimate a loss of about 1½ crores on letters and 1½ crores on postcards,—three crores in all. At the other end, we have what, if there were any signs of a real and lasting economic recovery in the near future, would be the very reasonable proposal, that the rates should be reduced to what they were before the 19th December, 1931. We estimate that, even if the reductions were followed by a ten per cent. increase in paid letters and a five per cent. increase in unpaid letters, we should lose 40 lakhs on letters and 55 lakhs on postcards, a total of 95 lakhs in all.

As regards my Honourable friend, Mr. Ramakrishna Reddi's amendment we estimate that it would be followed by a fifteen per cent. increase in paid letters and an eight per cent. increase in unpaid letters and that, on this assumption, it would cost us 62 lakhs. Now, Sir, those are the most important figures and I need not worry the House at this stage by giving the various intermediate ones. I shall do so if the other amendments are moved. Well, Sir, our expert advisers may be wrong—expert advisers often are—but anyhow they are expert advisers and we have obtained advice from the best source we have available. The net result of that advice is, as I hope I have shown the House, that a reduction to the old rates in the present conditions would involve us in a loss of nearly a crore. Whether our advisers are right or wrong, one thing is certain—and that is the fact that I should like to impress upon my Honourable friend, Mr. Ramakrishna Reddi—that compared with the period immediately preceding the enhancement of postal charges, the sale proceeds of postage stamps during the current year have shown a definite improvement. The actual sale proceeds during the first eight months of the current year were about 19 lakhs of rupees in excess of those during the corresponding period of last year. I shudder to think what the figures would have been if we had retained the old rate during this period of economic depression, for it is hardly open to doubt that the economic position of the country during the earlier part of 1932-33 was definitely worse than it was during the corresponding period of 1931-32. I submit, Sir, that in the figures I have placed before the House lies our justification for the retention of the present rates for the coming year.

Now, Sir, I turn to the third argument, which has been put forward, that the Department has not yet reduced its expenditure to a minimum by adopting all the measures of retrenchment and other economies open to it. As regards that I should like to invite the attention of the House to the memorandum which has been placed before it showing the progress of retrenchment in the Posts and Telegraphs Department. I think that a perusal of that memorandum and the annexures to it should satisfy the Members of this House. I will not say every fair-minded Member of this House, because I do feel, Sir, that the House is open to conviction and I trust I shall be able to convince it—I repeat, Sir, that that memorandum should satisfy all the Honourable Members opposite that, in the matter of retrenchment, the Postal Department has done very well indeed. I think my Honourable friend, Mr. Mitra, would probably say it has done much too well. To have effected savings in expenditure on personnel aggregating 75 lakhs of rupees per annum in so short a time is a notable achievement, and I am confident, that, under the present administration, no effort has been or will be spared to eliminate extravagance and to curtail the working expenses of the Department to the limit of safety. Lest the House should regard me as a partial judge in what it may think as my own case, I should like to ask my Honourable friend, Sir Cowasji Jehangir, who has greater experience of the working of the Posts and Telegraphs Department than any other Member of this House, with the exception of the Director General and not excepting myself, whether he is satisfied with the way the Department has carried into effect the recommendations of the Retrenchment Committee over which he so ably presided. It may be said that, in the present financial position of the Department, there was no justification for the remission of the five per cent. cut in pay. Well, Sir, there are so many doughty champions of the interests of the postal and telegraph employees in this House—my friends, Mr. S. C. Mitra, Mr. Gaya

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Prasad Singh and Mr. Azhar Ali, to name only a few of them—that I can safely leave to them the refutation of any arguments on this point which may be brought forward. All I need say myself is that even if the full cut at present in force were to be retained throughout the year 1933-34, the result would be to reduce the estimated loss next year from 57 lakhs of rupees to 29 lakhs of rupees, so that the Department would still be unable, consistently with the accepted policy, to adopt any measures involving an aggravation of that loss. In any case, it would have been inequitable to retain the full cut in the case of this particular Department whilst granting partial remission thereof to other Departments of the Government of India.

Lastly, Sir, I come to the fourth argument that has been brought forward from time to time in connection with the proposals for reduction of the postal and telegraph rates and that is that the present accounts are misleading and show the Department to be working at a heavy loss, whereas the real facts are that it is more than paying its way. It was to deal once for all with that allegation that the Government of India appointed a Postal and Telegraph Accounts Enquiry Committee which was also presided over by my Honourable friend, Sir Cowasji Jehangir. After an exhaustive enquiry, Sir, Sir Cowasji's Committee came to the conclusion that the main principles on which the re-constituted accounts of the Department have been based are sound and that, subject to the adoption of certain recommendations embodied in their report, the result shown by those accounts were substantially accurate. Most of these recommendations have been accepted by the Government of India and the Auditor General, and the accounts for the year 1931-32, as well as the estimates for 1932-33 and 1933-34, have been prepared in accordance with the decisions of the Government upon them. These decisions have had the immediate effect of reducing the losses attributable to the Department by approximately 14 lakhs per annum and it is probable that the relief afforded to the working expenses of the Department will increase as time goes on. I hope, Sir, that this statement will dispel any suspicions that may hitherto have been entertained by the Members of this House or the public generally regarding the substantial accuracy of the results as disclosed by those accounts.

My Honourable friend, Mr. Ramakrishna Reddi, has suggested one method by which we can make up the deficit which would result from the adoption of his proposals. He says what you lose on the postal side you can make up on the telegraph side. I do not think, Sir, that the figures bear him out. In the first place, I would point out that in our estimates for the next year we estimate a loss of 22 lakhs on the postal side and of 30 lakhs on the telegraph side. During the current year, the estimated loss is 23 lakhs on the postal side and 21 lakhs on the telegraph side. We, therefore, lose approximately just about as much on the one as we do on the other. I am sorry, my Honourable friend, Sir Cowasji Jehangir and my Honourable friend, Mr. Mody, were absent from the House when Mr. Ramakrishna Reddi's suggestion was put forward. I trust that they will, in the course of the discussion, give us their views on the desirability of putting up the telegraph rates any higher than they are at present. The point really is that the law of diminishing returns applies very much more quickly on the telegraph side than it does on the postal side, and that if we were to put up the rates as suggested by Mr. Ramakrishna Reddi we should be hitting our telegraph traffic to such an extent that far from gaining, we should increase the loss very rapidly indeed. I would point out to Mr. Ramakrishna Reddi that the receipts from the postal side are about

two and a half times as much as they are from the telegraph side, and that, therefore, you would want a very substantial increase indeed on the cost of telegrams to make up the deficit involved in the acceptance of his proposals. The suggestion is quite impracticable

Mr. C. C. Biswas (Calcutta: Non-Muhammadan Urban): Can you not raise the Air Mail postage by 25 per cent.?

The Honourable Sir Frank Noyce: The amount brought in would be absolutely negligible: the postal fees charged on Air Mail letters amount to about Rs. 500 a week

Diwan Bahadur A. Ramaswami Mudaliar (Madras City: Non-Muhammadan Urban): And is it not very much more than the corresponding Air Mail fee from England which is six pence from England, whereas it is eight annas from here?

The Honourable Sir Frank Noyce: That is perfectly true. Now, I trust I have convinced the House that no reduction in the existing tariff of telegraph and postal charges can be safely made at the present moment. I trust that the House will recognise that we are making every effort to restore the Postal and Telegraph department to a position of financial equilibrium. I can assure it that these efforts will not be relaxed during the current year, and I very much hope that, when I come before this House next year at this time, I shall have a much more cheerful tale to tell. I would again repeat the assurance given by my predecessor in 1931 when he said:

"When we are sure that surpluses have come to stay, we shall use them for the extension of postal facilities, for reorganisations which may be necessary in order to ensure the highest efficiency and also for revisions of rates which may be possible and reasonable."

I would add, and I ask the House to take special note of this assurance, that my Honourable colleague, the Finance Member, and I are agreed that it is the revision of rates which should come first in this category.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): The question is:

"That in Schedule I to the Bill in the proposed First Schedule to the Indian Post Office Act, 1898, before the existing entries under the head *Letters*, the following new entry be inserted:

'For a weight not exceeding one tola Nine pies'."

The motion was negatived.

Mr. B. Sitaramaraju (Ganjam *cum* Vizagapatam: Non-Muhammadan Rural): Sir, I move:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head *Letters* the following be substituted:

'For a weight not exceeding one tola One anna.

For every additional tola or fraction thereof Half an anna."

In moving this amendment I do not propose to go into that old old but ever-new story of the unsympathetic way in which the public utility services like the postal services are being administered. Nor do I propose to bring out the arguments which have been repeatedly made in this House, because they are all ever present in the minds of Honourable Members.

[Mr. B. Sitaramaraju.]

But in moving this amendment I would like to show that I have tried my best to go as far as is possible to meet the Government's point of view. If Honourable Members will pay a little attention, they will find that what I propose under this amendment is not likely to give any financial embarrassment to the Government. On the other hand, it may even give them more money. According to the proposals of the Government, the minimum weight required for a letter is $2\frac{1}{2}$ tolas. As I stated last year, that was a later development. Originally the minimum weight for a letter was fixed at only one tola. But foreign correspondences and commercial magnates had to use not only thick paper, but a very voluminous record to be sent through the post. Therefore, when the one tola was raised to $2\frac{1}{2}$ tolas, it was this class of people who were benefited by that; but the poor people or the general class of correspondents in this country who usually write letters which are ordinarily within one tola

An Honourable Member: Half a tola even!

Mr. B. Sitaramaraju: Anyway I am prepared to go up to one tola. If Honourable Members see the amendment which is proposed to be moved hereafter by Mr. Amar Nath Dutt, they will find that he is intending to propose that for a weight not exceeding one tola the postal charge should be only half an anna—that was the old rate at one time, in existence. I would certainly welcome such a thing, but my present proposal is to double the rate now suggested by my Honourable friend, Mr. Amar Nath Dutt. The result of my proposal would be that for the minimum of one tola there should be a reduction from the proposed rate of the Government of only a quarter of an anna. I compensate them, however, by proposing that for every additional tola or fraction thereof it should be half an anna more and that is for thick correspondence which will weigh more than one tola. Thus there is a possibility of the Government getting even more money than they contemplate under their proposals, because the rate would then be $1\frac{1}{2}$ annas for two-tola weights and 2 annas for $2\frac{1}{2}$ -tola weights, whereas for the ordinary one tola letter the postal rate would be one anna, that is, only quarter anna less than the Government proposed. Therefore although the Honourable Sir Frank Noyce just now has said that what you gain in the swings, you lose in the roundabouts, I would like to say in this case that what you lose on the swings you will gain certainly on the roundabouts. Therefore, I think if the Government will sympathetically consider the amendment that I have the honour to propose even from the point of view of finance it should be acceptable to the Government.

Mr. S. C. Mitra (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Mr. President, on a point of order: if the charge on two and a half tolas on letters is calculated according to this amendment, it will be found that the suggestion is for raising the rate more than at present and as such the previous sanction of the Governor General might be necessary.

Mr. B. Sitaramaraju: May I just point out that Sir Frederick Whyte's ruling was that if, taken in the aggregate, there is no additional charge and that one balances the other, then it is quite permissible.

Mr. S. C. Mitra: That aggregate will be a mere surmise.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): Has the Honourable Member anything to say on the point of order?

The Honourable Sir Frank Noyce: The only point I would make is that the total result of the Honourable Member's amendment is to reduce taxation. Our figures show that, if his proposal were accepted, we should lose 48 lakhs.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): Under these circumstances the amendment will be in order.

Motion moved :

"That in Schedule I to the Bill in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head *Letters* the following be substituted :

For a weight not exceeding one tola	One anna.
For every additional tola or fraction thereof	Half an anna."

Sir Thomas Ryan (Director General of Posts and Telegraphs): Sir, I think that the Honourable Sir Frank Noyce has dealt so comprehensively with the objections to any reduction of postage rates that little that I can say can add anything useful to the debate. But I should like to say just one thing with regard to the suggestion that the minimum weight on which the charge is levied should be reduced. We went into this matter very closely a year or so ago, in connection with the revision of postal rates then under contemplation, and we found from statistics that were specially taken of the distribution of the postal traffic over different ranges of weights that there was an immense preponderance of traffic below the minimum weight that we could reasonably fix, so that practically a change of this type would be very much less significant than it might appear on paper. To reduce the minimum weight from $2\frac{1}{2}$ tolas to one tola would have a negligible effect upon the distribution of traffic, and such a motion as that of the Honourable Member would practically mean reducing the postage on the great bulk of the letters by half an anna, and, as the Honourable Sir Frank Noyce has explained quite clearly, this would involve a loss on the immense number of letters we have got to handle which we could not possibly face in the existing financial position of the Department.

Sir Cowasji Jehangir (Bombay City: Non-Muhammadan Urban): It is not a reduction of half an anna; it is a reduction of quarter of an anna.

Sir Thomas Ryan: I beg your pardon. It would involve a reduction of the postage from the present rate of $1\frac{1}{2}$ annas to one anna, but the conclusion I drew is the same.

Mr. B. Sitaramaraju: If you take into consideration the fact that you are going to get $1\frac{1}{2}$ annas for every additional tola.

Sir Thomas Ryan: I think the point is met by what I have said that so large an amount of the total correspondence is below the minimum weight proposed that this would not come anywhere near compensating for the loss.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): The question is:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head *Letters*, the following be substituted:

'For a weight not exceeding one tola One anna.
For every additional tola or fraction thereof Half an anna.'

The motion was negatived.

Mr. Amar Nath Dutt (Burdwan Division: Non-Muhammadan Rural): Sir, I beg to move:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head *Letters*, the following be substituted:

'For a weight not exceeding one tola Half an anna.
For every tola or fraction thereof, exceeding one tola Half an anna.'

Sir, in support of my amendment, I think I will have to go over the same ground which has been trodden here year in and year out, because all our arguments have so far fallen on deaf ears of my friends opposite. We have been asking, since the increase of these postal rates, for their reduction, because these rates affected not the rich, but the millions of our poor countrymen. In these days of speedy locomotion, people of one province go to another province to earn their livelihood, though they hardly get Rs. 10 or Rs. 15 outside their own province. They leave their wife and children at home for several months, and naturally would like to inform their people at home whether they are alive or they have taken to that blessed place of shelter where every one has to go.

Mr. H. P. Mody (Bombay Millowners' Association: Indian Commerce): Where there are no postal rates.

Mr. Amar Nath Dutt: Yes, there are no postal rates there. Be that as it may, Sir, it hardly requires any argument to convince the House that the use of postcards is a necessity to these poor people. These postcards being small in size and uncovered can be read by any one. A postcard may contain a confidential communication or the date of a particular law suit, and the opponent in the suit, by catching hold of the postal peon, can come to know the contents of the card and prevent its reaching the man addressed whose case may thus go by default. For this reason people are obliged to use envelopes. Twelve years ago, we did not know that we would have to spend four pice for a letter, but suddenly the rates were doubled, and I know the dissatisfaction that was felt throughout the length and breadth of this country when the postal rates were doubled, but Government were adamant.

Mr. C. C. Biswas: They cured you of bad habits.

Mr. Amar Nath Dutt: I think my friend over there has still that habit of writing letters, but, Sir, I do not write letters save and except when it is absolutely necessary for the protection of my life and property, but young men have other letters to write, and my friend who is about 12 years younger than myself may yet have the need of writing superfluous letters. The President of the Postal Conference which was held recently at Muzaffarpur, the report of which has not as yet reached all Honourable

Members, except perhaps the Honourable Member in charge of the Postal Department observes as follows:

"The postal system, when it was first introduced in an organized and systematic manner by the British Government, was intended not merely to give facility of communication between individuals, but also to bring the people of the country in contact with one another. The postal system can, therefore, be very well called a vehicle for exchange of thoughts, and has been greatly instrumental in the development and growth of national consciousness and ideas."

I don't wish to trouble the House by reading the whole speech, because every Honourable Member will in due time be provided with a copy of the same by the organisers of the Conference, and I think they will find it pleasant reading during their leisure hours. Now, with regard to the argument that has been adduced that it will put the Department to a loss and that this Postal Department is a commercial department, I must say that to a certain extent it is also a public utility department, and, as such, if there be any loss, I think the Government should not grudge it in order to give greater facilities for postal communication between man and man, especially confidential communications which have to be carried on in many cases. We are faced with one argument often. We have always been charged that we always press the same argument for the reduction of rates. And that is this. It was owing to pressure brought forward by some Members on the Opposition Benches that they were obliged to relieve the distress to which postal employees were in those days subject, and that, in order to do so, they had no other alternative but to increase the postal rates. I wish that Government had really acceded to our prayers and also acted according to the pressure exerted from this side of the House. We know how the united pressure brought by the Opposition Benches on the Government received their kindest attention. As my Honourable friend has already remarked, human memory is short and public memory is still shorter. So, I shall remind the House of only what happened eighteen months ago here in this very Hall. When we failed in our attempt to reduce the postal rates, when we failed in our attempt to reduce income-tax, when we could not remit certain duties on machinery, we wanted to bring pressure upon the Government by wholly rejecting the Finance Bill, and it was eighteen months ago. It was not on any political issue as it used to be the case formerly—rejecting the Finance Bill on the principle of refusal of supplies before the grievances were redressed. It was not on that principle that the Finance Bill was asked to be rejected in this House eighteen months ago. It was on economic grounds that the country could hardly afford to pay the income-tax and also the high postage rates which were being introduced. That united pressure from Members on this side of the House failed to create any impression on the Government, but when the Members of the Government come to us and say that it was the pressure that was exerted upon them by some Members on this side, I do not think that we shall be asked to take that statement as correct for there is a limit to human credulity. Do you want us to believe that the pressure exerted by a few of us on this side was so much that the Government had to yield to it while the united pressure of the Opposition you could flout? Or is it that you had some Members who were thinking like you and they were made a cat's-paw of and, in their name, you wanted to impose this heavy taxation upon the poor people of this country? When I say "you", I mean the Government and not certainly you, who was one of us. I submit that the Government's argument is more futile than the argument on our side is characterised to be.

[Mr. Amar Nath Dutt.]

There is one other point. It has been said that all the recommendations of the Retrenchment Committee have been given effect to. I submit that no final report of the Retrenchment Committee was either awaited or asked for. I know the inevitable reply that some of the members of the Committee were asked to let the Government know whether any further sitting was necessary and no reply was received. But a mere perusal of the first instalment of the report will show that the members therein distinctly stated that that was not the final report and that they might have to review their judgment when other materials were placed before them. So, the flimsy argument that they have given effect to the recommendations of the Retrenchment Committee does not hold water for a moment, because we know that the Government grasp at things which are favourable to them and do not pay any heed to things which are favourable to the people. This is one of those instances. Fearing that there might be a review, fearing that there might be other recommendations, no further attempt to have a final meeting of that Retrenchment Committee was made. And my Honourable friend—I do not see him here—my Honourable friend, Mr. Yamin Khan, will bear me out in this.

It has been said that the Department will have to be carried on at a loss if my amendment or any other amendment that is on the agenda paper is carried. As regards that, I beg to submit that if the Honourable Member in charge of the Department will only kindly take into consideration the cost of the various post offices which are situated in strategic places, he will find that much of the profit of this Department goes to swell the cost of the post offices at places like Razmuk and other places.

Sir Thomas Ryan: They are paid for by the Departments in whose interests they are kept.

Mr. Amar Nath Dutt: They are paid for by the Army Department. Whether an item of expenditure is paid by one Department or another, who pays it ultimately? It is the poor tax-payer of this country. Whether you put the amount under this head or that head, it does not matter to the poor tax-payer. As my Honourable friend over there, the Finance Member, when introducing the Finance Bill eighteen months ago, was pleased to remark, if you take away an expenditure from one head to another, it does not give any relief to the Finance Member. He said the expense was there and somehow or other he has to find money for it. I may say also, on behalf of the poor tax-payers, whether it is paid for by the Army Department or whether it is paid for by any other Department, it is the poor tax-payer who pays for it ultimately. I would urge a reduction of post offices in those places in the North-West Frontiers, where they are hardly necessary even for the safety of the Indian Empire. I can assure the House that if you reduce the postage rates to the figure I have proposed, you will find that the number of letters that are now carried will double, if not treble itself. In that case you may say that there will be a deficit. No doubt, but in order to give relief to the poor people of this country, you ought to accept this amendment of mine unless it be that you accede to our request only when it suits you and do not do so when it does not suit you. I hope that I shall not have to lay that

charge against you, nor the people will have to lay charge against you—namely, that you only, in order to serve your own purposes, make the pressure of a few individuals on this side.

Mr. Gaya Prasad Singh (Muzaffarpur *cum* Champaran: Non-Muhammadan): You must address the Chair.

Mr. Amar Nath Dutt: I see my Honourable friend knows more than myself about addressing the Chair. When inadvertently I say "you", certainly I do not mean you, but I mean, through you, the gentlemen on the Treasury Benches. Sir, I think I have said what I need say on this amendment and I hope the Government will see their way to give a trial to my amendment.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): Motion moved:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head *Letters*, the following be substituted:

'For a weight not exceeding one tola Half an anna.
For every tola or fraction thereof, exceeding one tola . . . Half an anna.'

Mr. B. V. Jadhav (Bombay Central Division: Non-Muhammadan Rural): I rise to support the amendment. Some years ago, the postage rate on letters was just half an anna and at that time the post office was making good profit. It was then a paying Department. For instance, an ambitious man in the town of Bombay starts a business. In the beginning, he is very careful about it. He looks to every detail of expenditure and keeps it down, serves his customers very well and is satisfied with small profits. He thrives, and what is the result? He takes bigger premises, pays higher rent, buys more furniture, keeps a bigger establishment and, therefore, his profits dwindle down proportionately. He has to raise his rate of profit, which his customers pay for some time, but they too, one after the other, leave him and ultimately we find such a young man in the Insolvency Court. The same was the condition with the Postal Department. Formerly, the Postal Department was satisfied with little profit. They kept the rates rather low, served the public well and when they found that they were making much profits year after year, their head was turned. The salaries were increased all round. Expenditure piled up. What did they do? Instead of cutting down the expenditure, they began to charge higher and higher rates. They are in the possession of a monopoly and, therefore, they need not fear any competition from outside. But if Government would allow fair competition, they would find that a commercial agency may rise, which will be able to do the business at half the cost. But Government are enjoying a monopoly, they do what they like to tide over the difficulty. Instead of thinking of cutting down expenditure, they have been raising the postage rates from half an anna to three quarters of an anna, and then to one anna and then to an anna and a quarter and I do not know whether 12 months hence, at the next Budget, they will not bring in a proposal for enhancing it to one anna and a half. The Member in charge of the Department did not think of any further retrenchment. They think that they have touched the rock bottom of expenditure and they only say that in order to make both ends meet, the Postal Department, being a commercial department, should pay its way. Therefore, the only recourse they have is to raise the postage

[Mr. B. V. Jadhav.]

rates and thus to tax their customers more and more. The result is that fewer and fewer letters are written and their income on the whole is not satisfactory.

My friend, the Honourable Member in charge of Industries and Labour, says that if such an amendment is accepted, the loss will be 42 or 62 lakhs or something like that. There will be loss for sometime, but then more and more letters will be written and gradually, within a year or so, the loss will be made up. On behalf of the poor man, the Department should be prepared to suffer some loss for some time and, at the same time, if they take care to reduce expenditure, especially in salaries, then I do not think that the Department will be working at a loss. The Director General has admitted that the majority of letters written are not heavy letters. Although the limit of three tolas is there, that limit is reached in very few cases. They are negligible and, therefore, the poor man is taxed the most. I heartily support the amendment.

The Honourable Sir Frank Noyce: I am sorry that the Honourable Member, who has just spoken, was not in the House when I dealt with the points he has raised in his speech at some length. I have very little to add to what I then said, but I should like to say that it is really very disheartening to find an Honourable Member, after the information which has been placed before him, stating that the Department has done nothing whatever in the way of retrenchment of expenditure. There is, I am certain, no Department of the Government of India which has retrenched as drastically as the Posts and Telegraphs Department. At the end of the last week, we placed before this House a memorandum showing exactly what had been done in that direction. As the Honourable Member evidently has not read that memorandum, I may be pardoned for reading an extract from it to the House:

"The statement shows that it is now anticipated that the savings to be secured by complying with the specific recommendations of the Sub-Committee during the year 1932-33 will amount to approximately Rs. 46½ lakhs and that this saving will increase to approximately Rs. 59½ lakhs during the year 1933-34. Further economies are expected to result from the adoption of these measures in subsequent years and the total ultimate saving will be considerably in excess of that anticipated by the Sub-Committee as likely to result from the adoption of their recommendations."

The statement shows that we estimate as the result of retrenchment in the personnel of the Posts and Telegraphs Department likely to be effected up to the end of 1932-33 immediate savings of 6 lakhs and 27 thousand per mensem or 75 lakhs a year. I, therefore, most emphatically repudiate the suggestion that we are doing nothing in the way of retrenchment and that brings me to the point raised by my friend, Mr. Amar Nath Dutt, who seemed to think that we had something to fear, because we did not ask the Sub-Committee on retrenchment in the Postal and Telegraphs Department to meet again and submit a final report. I may say that we took that course with the full concurrence of Sir Cowasji Jehangir himself. On the facts placed before him, he was satisfied that we were doing everything possible. I think the figures I have just given to the House show what we have done. We communicated our view to every member of the Committee and we received no protest from any of them. So I have nothing to fear whatsoever. I have no
1 P.M. fear whatever of a further enquiry by any Retrenchment Committee into the work that we have done in the Posts and Telegraphs

Department. But the only new suggestion forthcoming in my Honourable friend, Mr. Amar Nath Dutt's speech was that as far as I could gather we should reduce our expenditure by abolishing post offices in out-of-the-way places. (*A Voice*: "No no.") Sir, as regards the posts and telegraphs in certain places, the fact is that their cost is charged to the funds of the Political Department or of the Army Department and this means that it is not paid for by the Posts and Telegraphs Department and, therefore, does not affect the postal rates, but as regards the general proposition of abolishing post offices in out-of-the-way places, I take it that no Honourable Member in this House seriously considers that a man should be deprived of communication with his fellow-creatures, because he happens to live at some distance from a big place.

Mr. Amar Nath Dutt: I did not say that post offices should be abolished everywhere, but only in the N.-W. F. Province.

The Honourable Sir Frank Noyce: Then I notice my Honourable friend quoted a speech of Mr. Gaya Prasad Singh which he recently delivered at the 13th Session of the All-India Postal and R. M. S. Conference held at Muzaffarpur on the 19th or 20th March last in support of his thesis that we ought to reduce the postal rates. My Honourable friend was addressing a meeting of Postal and R. M. S. employees and I have not yet had time to study his speech with the care which I propose to devote to it, but I think I may take it as certain that he did not suggest in the course of that speech that Government at the same time as they were going back to pre-war rates of postage should return to the pre-war rates of salary. I venture to think, Sir, that we cannot have it both ways. We cannot combine the *present* scale of salaries with the *old* scale of postal rates. Therefore, I regret I must oppose this amendment. As the two amendments which I have previously opposed would have cost far less than this, the strength of my argument against this is, therefore, proportionately larger. Sir, if we were to accept this amendment, it would cost us 131 lakhs, and that is allowing for an increase of 20 per cent. in the case of paid letters and of ten per cent. in the case of unpaid letters. My Honourable friend, Mr. Jadhav, holds that if we were to reduce the charges to pre-war rates, the increase in letters posted would be phenomenal and that we should get three or four times as many letters posted as are posted now. Sir, I can assure him that that is not the case and that the increase would be very slow. What we have to consider here and now is the present financial position. An increase of revenue in three or four years time, due to a change in the rates now, might be anticipated, but that does not help us to cover our present deficit. Sir, I oppose the amendment.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): The question is:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head *Letters*, the following be substituted:

'For a weight not exceeding one tola Half an anna.
For every tola or fraction thereof, exceeding one tola . . . Half an anna.'

The motion was negatived.

Mr. Amar Nath Dutt: Sir, I beg to move :

“ That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, against the entries under the head *Letters*, for the words ‘ One anna and three pies ’ the words ‘ Nine pies ’ be substituted. ”

Sir, I hope that this amendment may be acceptable, though I fear it will involve some amount of loss to the Department. I hope that, considering that this is a public utility department, the Government will not grudge reducing the rates on the letters at least. Of course my former amendment for reducing the rate to half an anna has been negatived by the House, and, even with the help of my friend, the President of the Postal Conference here, I could not succeed in the matter, but I hope that here in this amendment I will have his support as also the support of my Honourable friend who presided over the Postal Retrenchment Committee. Sir, twelve years ago, the rates were increased by 100 per cent. Sir, that is a feat which is only possible in a Department where the voiceless millions are chiefly concerned. That is a feat which will be submitted to only by people who do not know how to press their claims; that is a feat which does not require a superman to accomplish. I know it will entail some loss of money, though I cannot tell the exact amount. Whatever it may be, I think we must not take advantage of the voiceless millions who cannot have their grievances ventilated, who have not got presidents who would thank departmental heads in their addresses, and who have not the same access to Honourable Members on the other side; but, Sir, if the representatives of the people knew their duties and performed their duties as they ought to—I do not mean the representatives merely of the constituencies which you represent—if they were mindful of their own duties and obligations towards the public, I think they would have certainly asked for the redress of their grievances, and which I know the Honourable Member in charge would have granted if his hands were not tied by certain other factors over which he has no control. But I think he will admit that this is a relief which is claimed on behalf of the poor and dumb millions, and, on behalf of them, I ask that if the wholesale increase of 100 per cent.—and now at the present moment it amounts to an increase of 150 per cent.—cannot be remitted, at any rate relief to the extent of 100 per cent. should be given.

As everyone in this House knows, 12 years ago, the postage rate for letters was only half an anna. Then it was raised to one anna, and that represents an increase of 100 per cent. Sir, I am not aware of any other item of taxation anywhere else in this world where the taxation is increased by this stupendous percentage. There is of course always a protest from our side as also from the side of the gentlemen occupying those Benches when income-tax is increased, say, by 20 or 25 per cent, but, Sir, at one stroke of the pen this taxation of the poor people was increased at first by 100 per cent. and then again by 150 per cent. What I now ask is that you should take away that 100 per cent. and we shall place ourselves at your mercy and accept an increase of 50 per cent. That is what my amendment is. My amendment is for 9 pies instead of 6 pies. That would mean 50 per cent. Sir, I know figures can be manipulated to support any theory you may choose, especially if you are an expert in figures and your opponent has neither the advantage of looking at figures nor the aptitude which the members on the other side have acquired by years of training. This is especially the case with the members of the Bar who have hardly to deal with figures. That being the case, let us

not in this House be troubled by figures and statistics. I would wipe off all figures and all statistics. Let everyone of us live comfortably and let Sir George Schuster be happy, so that he will not have to rack his brains to provide with funds his colleagues, Sir Frank Noyce and Sir Joseph Bhoré. It is only my Honourable friend from Bengal who adorns those Benches who does not require much money, but the other gentlemen do. From that standard, as a Bengali, I think, Sir George Schuster will appreciate that we do not want much, and when I ask you to wipe off the statistics and the figures, I ask you to be a member of a joint family where you get the money and entrust every one of your members with particular sums. Let it be left to Sir George Schuster who, I am sure, will be fair in distribution and will carry on the expenditure of your House in that way like a joint family. If you do that, you can give relief to the poor millions from whom you get this tax and who have no means of protesting and letting you know their grievances. I once more repeat and once more urge upon you to see whether or not it is possible to reduce the postal rates to the extent to which I have asked you. If not, I hope you will accept the other amendment which follows this. With these words, I move my amendment.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): Motion moved:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, against the entries under the head *Letters*, for the words 'One anna and three pies' the words 'Nine pies' be substituted."

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

The Assembly re-assembled after Lunch at Half Past Two of the Clock. Mr. President (The Honourable Mr. R. K. Shanmukham Chetty) in the Chair.

Sir Cowasji Jehangir: Sir, it is well known that the Posts and Telegraphs Department is a commercial department, and Government have given an assurance that that Department shall never be allowed to make a profit. Unfortunately they cannot give an assurance that it will never make a loss. We know that for the last few years this commercial department has been making a loss. There are two ways, and only two ways that I know of, to remedy that state of affairs. One is to increase the revenue and the other is to decrease the expenditure. With regard to the latter method, Government appointed a Retrenchment Committee of which my Honourable friend, the Mover of this motion, was a member. The report was issued some time ago and has been in the hands of Honourable Members, has been considered by Government, and Government have already come to decisions on that report. The Honourable Member in charge has informed the House of the results. So far as I remember, all the recommendations of that Committee were accepted and the retrenchment effected was somewhere about 40 lakhs of rupees.

The Honourable Sir Frank Noyce: Sir, I do not wish to take undue credit and I would not go further than to say that nearly all the recommendations were accepted. Our departures from the recommendations were not at all extensive, but I should not like the House to carry away a wrong impression about it.

Sir Cowasji Jehangir: Yes; most of the recommendations were accepted and the retrenchment effected was in the neighbourhood of about 40 lakhs of rupees. Now, Sir, I believe that my Honourable friend expressed some doubts as to whether that work could not be carried further. I will come to that point in a minute. If my Honourable friend and all other Honourable Members accept the position that this Department should be a commercial department, they will have to show that their proposals, by lowering the rates, will increase the revenue. I do not think my Honourable friend, Mr. Amar Nath Dutt, even made an attempt to show that the revenues would increase by lowering the rates. Therefore, his only other argument could be that retrenchment was not carried far enough and that any further loss that might be inflicted on the revenues by his proposals should be made good by retrenchment. That could be his only argument and I believe,—I am sorry I was not in the House,—I believe he is supposed to have said that retrenchment could have gone further or that the Committee's work was cut short.

Now, the facts of the case are, so far as I remember, that a certain branch of the Department was not investigated by the Retrenchment Committee. It was not an easy matter, and Government proposed appointing an expert committee with a very able officer as Chairman. That officer had been the Secretary of the Retrenchment Committee, Mr. Varma. I personally thought that retrenchment in that particular branch of the Department could be much more effectively carried out by a small special committee of experts with this very able officer as Chairman than by the Retrenchment Committee itself; therefore, I agreed with the suggestion that the work of the Retrenchment Committee should stop at this stage, that it had done all that it possibly could do and that for further retrenchment Government should look to this expert committee for advice. Sir, my point of view was not actuated from any sense of laziness or desire to do no further work, but to carry out really the retrenchment which Government were so anxious to get. Continuing the work of the committee would have cost Government some money and the rough calculation that I could make was that even to carry on for the next few days would cost Government four or five thousand rupees; so, I did not think it worthwhile that Government should spend that four or five thousand rupees for the information which they would get for that particular branch of the Department. That is why I was ready to fall in with the views expressed by the Honourable Member that the Committee should finish their work at that stage. But I was given the assurance that this expert committee would be appointed with Mr. Varma as Chairman and that the suggestions of that committee would receive the serious consideration of Government. I am afraid I cannot say just now whether the Committee has reported. Most probably it has; I know it was touring India.

Sir Thomas Ryan: The report has been received and is being printed.

Sir Cowasji Jehangir: The report is being printed and I presume, in due course, will be considered by Government, and I trust will result in further retrenchment. Under the circumstances, Sir, so far as retrenchment is concerned, I do not think that this House can go any further or urge Government to go any further unless they are prepared to drastically cut down salaries. I would, however, bring a very important point to the attention of this Honourable House that when we talk of salaries

in a big department like the Posts and Telegraphs, we must remember that the major portion of the pay bill goes to the poorest classes of the employees. I am speaking from memory, but I believe the pay bill comes to something like seven crores, from which the officers get about 35 or 40 lakhs (*An Honourable Member*: "51 lakhs.") Yes, 51 lakhs, and the rest goes to the poorer employees. Therefore, whatever cut you effect, if it is to be any substantial amount, it must come from the poorer employees. The Committee did go into the question of salaries and have reported, but I must admit that I always felt that specially in a department of this sort, when you talked of retrenching salaries, you got very little from the men who get fat salaries. And if you cut their salaries in the same proportion right through, you would get an amount not worth having from men drawing fairly good salaries, but the biggest amount would come out of the pockets of the poorer employees. That is also the case with all big Departments, and may I point out that there are certain classes of employees in the Postal Department, whose services were brought to our attention—the very poorest, to whom any cut would be a true hardship,—who not only discharge their duties to Government and the public, but in such discharge run considerable risk to life and limb. Under these circumstances, Mr. President, I do not personally think that the Department could have gone any further than they did and, therefore, to propose a further loss to the Department at this stage by way of reduction of rates would not be a legitimate proposal to place before this Honourable House. Everybody is making a loss today and the only thing is to smile and bear the loss of the Post and Telegraph Department until these depressed times end and when better times come, let us hope the Government will be able to give relief to those millions who patronise this great public utility department of Government.

Sir Thomas Ryan: Sir, there are just a few words I should like to be allowed to say with reference to the observations made by my Honourable friend, Sir Cowasji Jehangir. He has explained very clearly that the Postal Department cannot be charged with having neglected retrenchment—a point which was also made in another way by my Honourable friend, the Member for Industries and Labour. The statement, which the Members of the Assembly have had before them, shows that very clearly. It is true, as Sir Cowasji Jehangir has said, that the Committee presided over by Mr. Varma has just reported. This report is very voluminous and I think will be found to be very far reaching with regard to the organization, more particularly of the traffic branch of the Department. It may be said that the Committee has not touched the engineering branch, with which the Jehangir Committee also did not deal in detail, but the Jehangir Committee's report furnished a list of points which they considered required further investigation, and I wish to tell the House that these points have been, or in some cases still are being, investigated; and in regard particularly to the telegraph engineering branch, which some Honourable Members opposite think has been immune from retrenchment, we have carried out retrenchment on a scale comparable with that of the other branches of the Department. It is certain that there is no head of expenditure in the Posts and Telegraphs Department which has not received or is not receiving the closest attention, with a view to the cutting down of the expenditure to the utmost possible limit. That is the one point I particularly wanted to deal with in connection with what Sir Cowasji Jehangir has said. I should like, before I sit down, to thank

[Sir Thomas Ryan.]

him for his appreciation of the work done by the lower paid members of the Department who, I think, fully deserve everything that he said in their favour.

Dr. Ziauddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, I intervene in this debate simply to make one point and it is this that as far as the organisation of the Postal Department is concerned, I think it is working very economically and it is not a losing concern. The real thing is to see whether we are losing on experiments that we are making in connection with the wireless telegraphy and wireless telephony and radio, and also in connection with the installation of new apparatus of this Department. I do not think it is right to ask the poor people to pay for the new experiments and to pay for the luxuries of the rich. If these two Departments are entirely separated—I have not got the figures with me, but I am merely speaking from general impressions—I think the Postal Department could be made a paying concern if these white elephants are taken away from it.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): The question is:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, against the entries under the head *Letters*, for the words 'One anna and three pice' the words 'Nine pice' be substituted."

The motion was negatived.

Mr. S. C. Mitra: Sir, I move:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, against the entries under the head *Letters*, for the words 'One anna and three pice' the words 'One anna' be substituted."

My suggestion is only to lower the price of envelopes from five pice to four pice and I would not have moved it had I known that it will in any way decrease the postal revenue. My impression is that, if the price is lowered, there will be larger sale of these envelopes and the Postal Department will gain. My friend, Mr. Reddi, in his elaborate speech has quoted figures to show that, even during the worst times of the depression, the income was generally between 7 crores and 50 lakhs of rupees and it was, after when the rates were raised, that the revenue of the Department has gone down by about 20 lakhs. Sir, I do not agree with my Honourable friend, Sir Cowasji Jehangir, that Post Office is a commercial department. I do not think that Government even have gone so far as to admit that. If I understood them correctly, they said that the accounts of the Department are kept commercially. It is the largest public utility Department under the Government. That does not necessarily mean that it must pay its own way. Of course there is no reason why the Department should not try to pay its own expense. In this connection, about the Department getting more revenue, I would like merely to read from the very able speech delivered by my friend, Mr. Gaya Prasad Singh, as President of the All-India (including Burma) Postal and Railway Mail Service Bihar and Orissa Provincial Conference held at Muzaffarpur on the 10th March, 1938. He says:

"The proverbially cheap cost at which the communications were formerly carried on as the history of the system would show greatly satisfied the people, and it not only removed a long felt want of the public, but was greatly responsible for the popularity of this system. The original half-anna postage for ordinary letters were supplemented by the pice post card, and, towards the end of the last century, there was also a talk of reducing the price of post card even to half a pice, and about 50 years ago.....".

Then he goes on developing the history. He then says:

"Thus for more than 80 years, the country enjoyed the benefits of the system, but, as ill luck would have it, what took 70 years to build up has been considerably destroyed by the short-sighted policy of the Government within the last ten years. The year 1922 witnessed a great hardship cast upon the people, when all on a sudden the rate of postage for letters including postcards was doubled. Not content with this, the Government went on increasing the rates of postage as also for postal articles so much so that it has now been trebled, with the result that the volume of correspondence has decreased and consumption of postcards and envelopes has considerably gone down; and it is noteworthy that even important and long communications are stuffed in the limited space of the postcard which would otherwise have not been possible in the days of cheaper postage, when men would ordinarily not mind sending them in embossed or post paid covers."

Mr. Gaya Prasad Singh concludes this portion of his speech by saying:

"Gentlemen, when the idea for enhancement was at first introduced in the Assembly, it was vehemently opposed, but unfortunately the proposal was carried in the teeth of opposition, but I am sure the figures must now have convinced the Government of their mistake, and I trust that Government will soon find their way to revise and consider the rates as early as possible."

Sir, I hope with my friend, Mr. Gaya Prasad Singh, that Government will accept this motion and revise their opinion about the rates.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty):
Motion moved:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, against the entries under the head *Letters*, for the words 'One anna and three pies' the words 'One anna' be substituted."

Pandit Satyendra Nath Sen (Presidency Division: Non-Muhammadan Rural): Sir, I rise to support the amendment. There has not been a single speech in this House on the Finance Bill that has not complained of the high rates of postage. The rates were first increased in 1922, and they have been on the increase since then from time to time. That this is a universal complaint is clear from the fact that clause 4 relating to postal rates has brought forth a very large number of amendments. Of all these amendments, I think this is the least objectionable from the Government's point of view, because, if there will be any loss, it will be almost negligible. That this amendment is most reasonable is evidenced from the fact that there have been full one dozen amendments to the same effect. The rates are increased in order to increase the revenue; but has this expectation of Government been fully realised? I think not.

From a statement made by them in the Explanatory Memorandum that has been supplied to us, they confess that there has been a very heavy loss in the sale of postage stamps; and from the figures quoted by my Honourable friend, Mr. Reddi, we have clearly seen that the increased rates are responsible for the loss of revenue in this Department. He has shown it clearly that there was a steady increase in the income from the year 1926-27 till the year 1932-1933 when the rates were increased to the present figures, and there was an abrupt fall in the revenue. During past years, the average income was something like 750 lakhs and, in 1932-33, it has come down to 720 lakhs. So it is clearly seen that the object of increasing the rates has been defeated. It does not fetch increased revenue to the Government. The policy of Government regarding the Postal Department is a chequered one.

[Pandit Satyendra Nath Sen.]

Sometimes they hold that this Department is to be held as an engine of education; subsequently they have changed their policy and they have come to regard it as a commercial department, although they admit, in the same breath, that it is a public utility department. If it is to be regarded as a public utility department, as has been admitted by successive Honourable Members in charge of the Industries and Labour Department, including my Honourable friend, Sir Joseph Bhore, then, I think, the Government should not grudge even if there is a little loss in this Department. To say in the same breath that it is a public utility department, and that it should pay its own way is almost a contradiction in terms. If it is to be regarded as a public utility department, it must be given some preferential treatment. Otherwise, what is the use of calling it a public utility department? The calculation of Government, that there will be some loss, even if this amendment is accepted, is based on a mere surmise. We have made out a very strong case, and I think this suggestion may be given a trial. Even if there is a loss, I think that loss can be made good by the positive surplus which is there in the general Budget this year; and I think in view of the fact that we have been repeating our protest year after year, it is now up to Government that they should see their way to accede to our request.

Mr. Nabakumar Sing Dudhoria (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I beg to support the amendment in all sincerity, as I have always felt on this subject of the increase in postage rates. The latest increase of the postage rate on letters was felt a great hardship even at the time it was brought about. This increase affected rich and poor alike, and at a time when both were entirely reluctant to bear it on account of the peculiar financial situation in which they were placed. In these days of expanding civilization and growth of knowledge, communication by post between people living at a distance has become an inevitable necessity.

In this country, where, on account of their poverty, the people cannot increase their bounds of information and knowledge, any tax on private correspondence should be quite light and easy. But the ends of revenue have all along ordained otherwise with our Government. We are aware of the great opposition that was presented when the couple of pice postage on letters was doubled for getting a revenue on a declared emergency. Sir, we have also, on the authority of Sir Geoffrey Clarke, one of the Directors-General of Posts and Telegraphs of recent times, that the Postal Commission of 1850 laid down, amongst other things, that postal reforms should always be carried out on the principle of giving the utmost benefit to the people of India from cheap rates of postage, and it should never be made a source of Indian revenue. But, contrary to the recommendations of that Commission, for the last four years our Government have raised the ordinary postal rates all round in order to derive sufficient revenues therefrom to run their telegraph, telephone and radio services. But I may tell them that our poor do not need cheap telegraph, cheap telephone or cheap radio services, not even cheap book-post, but what they really need is cheap postage. It will not be out of place to mention here that so far back as 1866, Mr. Massey, the then Finance Member, stated that the post office was so potent an engine of civilisation that no Government could

be justified in allowing revenue considerations to stand in the way of any improvement in the postal communications. I beg also to add that it is an accepted principle everywhere in all civilized countries not to tax communications hindering its growth and expansion. Again, not very far back, but in the year 1921, the then Member in charge of Posts and Telegraphs, the Honourable Sir Charles Innes, stated, to quote his own words :

"Nobody certainly in the Commerce Department wishes in any way to tax communications."

I need not conceal that the increased rate has been naturally unpopular from the beginning. Sir, in their extreme inability to pay the high rate for the sake of their miserable financial plight, people have resorted to various devices to avoid sending their post through the post office and thus save cost on postage altogether. If we want to see that these popular devices to cheat post office revenue should go, we should adopt such steps as will offer them no more inducement to resort to such devices. Cheapness is the only remedy. It is time, therefore, to take off the one pice increase at least on letters and restore the former rate of one anna in order to bring back good feelings between the public and the Government. With these words, Sir, I beg to support the amendment.

Mr. Muhammad Anwar-ul-Azim (Chittagong Division: Muhammadan Rural): Mr. President, it is not my purpose to offer any scathing criticism of the Department over which my Honourable friend, Sir Thomas Ryan, presides, but just to say a few words in reply to what has cropped up in the course of the debate.

I had the privilege to listen to various speeches this morning in the course of which a good many figures were quoted. One thing **3 P.M.** that strikes me most is this. I am afraid my friends have not taken very seriously what my friend, Dr. Ziauddin Ahmad, said with regard to the technical innovations that are being introduced every year on the telegraph side. That is certainly a very costly affair for a poor country like ours. If we go on experimenting every year in technical matters, we know that we cannot supply a large number of skilled workers, as such I think that the policy which is followed by Government in this matter is not a very wise one.

Honourable Members will no doubt have observed in the papers that there is also a proposal now to link this country by telephone with England. Perhaps, that is an imperial necessity, but if the Government of India had not followed the ostrich like policy, they would not have found themselves in this quandary. My Honourable friend, Sir Cowasji Jehangir, said that he and his Committee have suggested certain remedies by retrenchment and he has rightly pointed out that the administration at the top is a very heavy one, and, therefore, Government in their wisdom will be well advised to take a few slices off the fat salaries paid at the top. Personally, I am strongly of the opinion that the lower paid staff of the postal and telegraph side should not be touched and, if Government felt that in the general re-organization and re-adjustment of things it would be necessary to overhaul the whole department, that can be done without detriment to these people. It is very difficult for a layman like myself.

[Mr. Muhammad Anwar-ul-Azim.]

not having the figures at my disposal, to suggest practical remedies as to how far any retrenchment in the postal and telegraph side would bring in any savings, but even on a casual perusal of the papers supplied to Honourable Members here along with the Budget papers, *plus* the Report of the Ryan Committee and Sir Cowasji Jehangir's Committee they are sufficient to show that there is certainly considerable room by which the revenue position of this Department can be improved. Sitting here in the Imperial City of Delhi or in the good climate of Simla, it is not always possible to keep strict control over the administration of such a vast Department which is spread over such a vast area. What I feel is this, that at places in this big conduit pipe the income of the Department is oozing out, and, if it were properly attended to, I feel sure, that would bring in some revenue to Government coffers. I have certain facts in my possession, but I should rather not let them have here. That will disclose where the Department is at fault. If the Department had been a little more vigilant with regard to the reports of the Accountant General who checks their accounts, if the Department had exercised a little stricter supervision in regard to money matters and losses, etc., incurred on account of dacoities, etc., the position of the Government would not have been such a hopeless one in that side.

Certain Honourable Members criticised the policy of the Department as a whole, but I think that since the Department was brought under the directorate some years ago and since it has been tucked in with the Telegraph Department, I feel that the revenues of this Department are coming down every year. The Director General of Posts and Telegraphs was pleased to mention that they had not touched the telegraphs administration. He was of opinion that the engineering side was so thinly manned that there was hardly any scope to apply the knife; but my own impression is that the telegraph administration is like a spoilt child, and unless timely notice is taken in regard to this Department, with regard to increasing the combined offices, the desired result cannot be achieved within any measurable distance of time.

Mr. T. N. Ramakrishna Reddi: Sir, I support this amendment not on any sentimental grounds of these high rates being a burden on the poor tax-payer, but on more solid and substantial grounds. When the Government raised the postal rates in 1981, they did not take this action to replenish the depleted revenues of the post office, but to make the revenues cover the ever-growing expenditure which was growing year by year. They expected that by raising the rates they would get additional revenue, and, as a matter of fact, the Honourable the Commerce Member has given an arithmetical calculation of the gains he expected by raising the rates. Now, Sir, a year and half's trial has been given to the new rates and we find that, even after these enhanced rates have come into operation, the revenues have not only not come up to the revenues which we were getting previously, but they have actually gone down,—they have gone down by 30 to 40 lakhs. I think the Government will admit that the year 1980-81 was the worst year possible. We are now in a better economical position than we were in 1980-81 and 1981-82.

Now, Sir, take the revenues for the year 1929-30. They were 7,89 lakhs. In 1930-31, the income from the post office was 7,50 lakhs. In 1931-32, the increased rates came into operation from October, and even then the revenue was 7,41 lakhs. I attribute this diminution by ten lakhs to the fact that the higher rates acted as a check to the free flow of letters through the post office during the latter part of the year. Thus we see that ever since these higher rates came into operation, the revenues of the post offices have been declining year by year. Now, this amendment wants only to restore the position which existed before the higher rates were levied. And when once they restore the position *status quo ante*, they are bound to realise as we realised in the worst year possible, about Rs. 7½ crores. If we realise that amount, the Budget will be balanced, because, thanks to the Government, they have reduced the expenditure side considerably. It is not as much as it was before the Retrenchment Committee met. The expenses have been reduced and if we go back to the position of rates, as they existed in 1930, there is no reason why we should not get as much revenue as we got in 1930, and if that be so, there will be no necessity to continue this additional imposition. You have tried for the last eighteen months with the additional rates, and you have not realised the amount which you had expected. On the other hand it has gone down. This amendment only seeks to restore the position of 1930 and there is no reason, now that the economic outlook is brighter today, why we should not realise as much revenue as we realised in 1930. With these few words, I support this amendment.

The Honourable Sir Frank Noyce: Sir, this question has been discussed from so many points of view in the course of the debate today that I find it very difficult to find a fresh way of saying what I have already said. I would say, at the outset, that I entirely agree with my Honourable friend, Mr. Mitra, that this is much the least objectionable of the amendments that have been put forward in the course of today's discussion, and as I have already said, if conditions had been normal or if we saw any reason to believe that, in the near future, there would be an approach to normal conditions, we should have been very glad to accept it. But unfortunately the period of depression is not yet over, and until it is over and we can see quite clearly in front of us, we are not justified in accepting even this amendment which would cost on our estimate at least Rs. 41 lakhs, and if we combined it, as we should have to do, with a reduction of charges on postcards, the total bill would come nearly to a crore of rupees.

My Honourable friend, Mr. Ramakrishna Reddi, in spite of what I said this morning, still maintains that, if we were to reduce the rates at this moment we should immediately get back to the old position of what he thought was a balanced Budget. I would venture to remind the House of the conditions under which we imposed these enhanced charges. Our revenue was steadily going down. We were faced with a very large deficit and we had to do something to bridge the gap. So we adopted this expedient. What reason have we to believe that the conditions today are so much better than they were in 1931 so far as the Posts and Telegraphs Department is concerned, that a reduction in rates would be immediately followed by such a large increase in traffic that we could safely carry it

[Sir Frank Noyce.]

through? Mr. Ramakrishna Reddi maintains that we have done nothing to arrest the decline. He says that this measure has brought in no increased revenue. That is not the case, as I said this morning. I gave the only comparable figures we have, namely, for the first eight months of the financial year 1931-32—April to November, 1931-32, and April to November, 1932-33. Our total postal receipts from April to November 1931-32 were Rs. 451 lakhs, and, in the corresponding year of 1932-33, they were Rs. 470 lakhs, that is, an increase of 19 lakhs. That increase is solely attributable to the increased rates. As I have said, and I would emphasise it once again, our receipts were steadily falling and the only way to prevent that fall was by enhancing our rates. We have enhanced our rates. We have got increased revenue and the decline would not have been arrested but for the enhanced rates.

There are one or two other points which have been raised in the course of this discussion. We have been charged with subsidising the telegraph side at the expense of the postal side. I can assure Honourable Members that that is not the case. The accounts of the Postal and Telegraphs sides of the Department are kept absolutely distinct and there is no question whatever of using postal receipts for the purpose. Dr. Ziauddin ascribed to us of paying for expensive experiments on telegraphs. I do not think . .

Dr. Ziauddin Ahmad: And wireless.

The Honourable Sir Frank Noyce: I will refer to wireless in a moment. We certainly cannot be accused of any expensive experiments on telegraphs. We do our best to give the public of India as cheap and efficient a telegraph service as we can. I think my Honourable friends from the commercial community would object if we did not do so.

Dr. Ziauddin Ahmad: Let them pay for it, and not the poor people.

The Honourable Sir Frank Noyce: The postal side does not pay for it any way. As regards the telephone system, the Honourable Member is completely under a misapprehension. The telephone system is the one branch of the Department to which we can look with the greatest satisfaction. It does pay its way, and that the improvements that we are effecting in it are greatly appreciated is shown by the rapid expansion of the receipts from trunk telephone calls. As regards wireless, there, again, Honourable Members are also completely under a misapprehension. The wireless branch costs us practically nothing. The Indian Radio Telegraph Company—one can hardly call it a private company, because it has Government directors, is a company and, except to the extent of its arrangements with Government and the presence of Government directors on its board, it is independent of the Government. The telephone system to England which my Honourable friend, Mr. Anwar-ul-Azim, appeared to think was going to impose an additional burden on the long suffering poor of India will cost the Government of India nothing.

Sir Cowasji Jehangir: May I ask a question? There are Government wireless stations, and so far as my memory goes, the Committee recommended that certain of them should be closed down. I do not think the Government have accepted all the recommendations of the Committee in

that direction. It was stated that they were required for other purposes than those of the Department, and, if I mistake not, the Committee recommended that the other Departments should be made to pay. Has that been done?

The Honourable Sir Frank Noyce: With your permission, Sir, I will ask my Honourable friend, the Director General of Posts and Telegraphs, to reply to that point when I have finished.

The only thing I would say in conclusion is, if I understood him aright, my Honourable friend, Mr. Mitra, expressed the hope that Government would restore the old rates as soon as possible. With that point of view, as I said this morning, I am entirely in sympathy. I would again repeat the assurance I then gave, that the Honourable the Finance Member and I are agreed that the revision of the rates must be the first charge on any surplus that the Posts and Telegraphs Department gets. That it may be soon in possession of a surplus is my devout hope.

I do not propose to go into the distinctions which Honourable Members have raised between public utility and commercial departments. I do not think they really have much bearing on the present discussion. The accounts of the Posts and Telegraphs Department are maintained on commercial lines. We regard it as a public utility department. A public utility department, as I understand it, is a department which is expected to pay its own way. I do not think Honourable Members opposite would deny that electricity, gas and water companies should pay their way and they can only pay their way by charging a proper price for the facilities they provide. We expect no more than that from the Posts and Telegraphs Department.

Sir Thomas Ryan: Sir Cowasji Jehangir has rightly drawn attention to the fact that there is a certain amount of unprofitable expenditure on wireless in India. There are a number of wireless stations—coast stations, which cannot in the nature of things be remunerative—and there are a certain number of inland stations in various parts of India which were set up some years ago as a measure of internal security. A separate account is kept of all the wireless activities of the Department and, in so far as those activities are directly attributable to the commercial business of the Department or others, the radio accounts are credited with the amount. If the Honourable Member will look at the detailed statement in support of our Demands for Grants, he will find on page 4 a separate account under Radios and he will see a credit item of about five lakhs which is the sum of money spent under that head which it is thought can be fairly attributed to the Telegraph Branch which is accordingly debited to that head. There remains a balance under the head of Radio which is definitely regarded as uncommercial expenditure and which results in a loss of five lakhs of rupees in the Budget estimate for next year. That is an uncommercial activity of the Department and is definitely recognised as such by Government. It is for that reason that it is shown separately in the accounts. The Government have accepted in part only—it was a partial exception to their general acceptance of the Retrenchment Sub-Committee's recommendations—the recommendation for closing down some of the existing inland wireless stations. The others they have felt obliged to maintain for the same reasons for which they were originally set up, but the expenditure on this account is shown separately and is not mixed up with the expenditure chargeable to the head "Telegraphs"

Sir Cowasji Jehangir: Is it included in your loss?

Sir Thomas Ryan: It is included in the loss for the whole Department, but is not included under the head "Telegraphs".

Sir Cowasji Jehangir: If it is included in the loss for the whole Department, it will show you are making a greater loss than you really are.

Sir Thomas Ryan: If you do not look at the details but confine your attention solely to the total, that is of course so; but it is not to the total that the Government would have to pay attention in considering the question of altering the telegraph or postal rates.

Sir Cowasji Jehangir: If the loss on the whole Telegraph and Postal Department is increased by that amount, then it is not quite a fair proposition. It ought to be debited to some other Department which wants this non-commercial activity.

Sir Thomas Ryan: I think there is a great deal to be said even from the point of view of the tax-payer in showing the cost of this uncommercial activity in a single place, instead of disguising it, as it would be disguised, if it were distributed over a number of Departments and merged in their accounts.

Sir Cowasji Jehangir: You are doing this work for some other Department and that some other Department ought to pay you. That was our recommendation. It should not be included in your general loss or in your general profits, for the matter of that.

Sir Thomas Ryan: I see the Honourable Member's point, but I do not think he allows for the fact that this loss, although it does arise in the Posts and Telegraphs Department, is shown quite separately in our accounts and is not treated as part of the loss of the Department for the purposes of adjustment which is made in the account between the Posts and Telegraphs Department and the general exchequer. We pay interest on accumulated Posts and Telegraphs loss or we get credit for the interest on the accumulated profit if any, but the loss under this Radio head is excluded for that purpose.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): The question is:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, against the entries under the head *Letters*, for the words 'One anna and three pies' the words 'One anna' be substituted."

The motion was negatived.

Mr. Amar Nath Dutt: Sir, I beg to move :

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head *Postcards*, the following be substituted :

'Single	.	.	.	.	.	.	.	.	Three pies.
Reply	.	.	.	.	.	.	.	.	Half an anna."

Sir, these were the original rates for postcards and reply postcards before these increases took effect. I contend, Sir, that all the arguments that have already been adduced on this side of the House in favour of lower postage rates in general apply here also, but if I were to place all those arguments before this House once again, I think that would be of no use.

If the Honourable gentlemen on the other side of the House are not convinced by our arguments in favour of the necessity for cheap postage and cheap communications, then, I think, no further arguments need be adduced. Sir, their only ground has always been this that we cannot run this Department at a loss. I ask, how does the loss arise, why does the loss arise? To these questions they always have certain set reasons which they place before this House every year, and at the same time, charges are laid against us that it is through our pressure that they had to increase the cost of the Department. Sir, they have also said that we try our best to effect retrenchment and that the cost cannot be further reduced or has been reduced to the extent that was possible under the circumstances. They have taken the name of the Retrenchment Committee, in connection with which I offered some remarks and in which connection my Honourable friend, the President of that Committee, said that he or rather the Committee did all that was necessary or required of them and that a few more sittings of that Committee would have entailed a cost of such a big sum as Rs. 4,000 or Rs. 5,000,—and of course the Government and ourselves are thankful to him for having saved us that sum of money. Sir, he suggested a committee of certain experts who, he thought, would do the task better than himself and his other colleagues. Sir, I also, in all humility, am prepared to agree—not overlooking the ability of my Honourable friend, the President of the previous Committee, and the ability of his colleagues—with him in thinking that there are experts who are far more intelligent and far more capable of doing this thing and in a better way than them. But, incidentally, here of course the question of cost does not arise. We do not know what is to be the salary of the particular expert or experts; and we do not know of the cost of a tour round India; all these things, of course, might cost something less than Rs. one lakh, but that is perhaps a very very small sum! By the way, my friend of course was very careful in the matter of saving even Rs. 4,000 or Rs. 5,000. I thank my Honourable friend for his very liberal views on the subject of the capacity of Government officers and the incapacity of those who are unfortunately not Government officers. Anyway, apart from that, it seems that the floor of this Chamber is paved with good intentions.

Sir, we have always heard that as soon as the finances are better, we shall get relief. Now, we have relied on those promises, and we hope that the time will come when the finances will be better and that we shall get relief in taxation at any rate in small matters like postcards which affect the poorest in the country. Sir, our position is like the man in the golden barge led by a fair damsel, in Rabindra Nath's poem, and I may ask the Government in the inimitable words of the Poet Laureate of Asia:

*" Ar kata durty niyē jabēy
Morēy hēy sundari,*

*Balo kon pārtē bhāriwēy
Tomār sonār tārī ;*

*Jakhani shudhāi, ogo vidēshini,
Toomī hāso shudhu, madhur hāsini,*

*Bujhiltē nā pāri, kē jāni
Kē achhēy tomār monēy ;*

*Nirabēy dekhdō angulī toolī,
Akul sindhu uthichhēy akulī,*

*Durty paschimēy dubichhēy tapan
Gagan konēy."*

Some Honourable Members: Please translate.

Mr. Amar Nath Dutt: As desired by Honourable Members, I shall reproduce the English translation:

"How far, how far yet wilt thou
Lead me on, O damsel fair,
Where, Oh, where, will thy golden
Barge strike the shore,
I question thee, Oh, my Lady
From afar,
But thou returnest only
A smile from thy nectared lips,
I know not what sweet mystery
Thy bosom holds."

Mr. F. E. James: Speak up.

Mr. Amar Nath Dutt:

"I know not what sweet mystery
Thy bosom holds,
Thou utterest no words, but
Only the finger pointest
Thither where the distant billows roar,
Where the sun sinks in the far off west."

Sir, the promises of my Honourable friend in charge of the Department are like the promises held out by the fair damsel in the poem. Sir, I move:

Sir Cowasji Jehangir: What is the connection between the poem and the Honourable Member in charge?

Mr. Amar Nath Dutt: The Honourable Member in charge, like the fair damsel in the poem, uttereth no definite words of hope, but his finger pointest thither where the distant billows roar

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): Motion moved:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head *Postcards*, the following be substituted:

Single	Three pacs.
Reply	Half an anna'."

Mr. N. R. Gunjal (Bombay Central Division: Non-Muhammadan Rural): (The Honourable Member spoke in the vernacular.)*

*A translation will appear in a later issue of these Debates.

The Honourable Sir Frank Noyce: Sir, my Honourable friend, Mr. Amar Nath Dutt, whom, I am glad to say in spite of what he told us this morning, I caught in the act of posting a letter on my way to the Assembly this afternoon, seems to think that the higher he pitches his demands, the more likely Government are to accept them. I could not help wondering this morning in the course of his speech why he had put no amendment on the paper urging that we should carry our letters and postcards for nothing. I need say no more in regard to the amendment we are now discussing than this that its cost to the Government would, we estimate, be 124 lakhs. That is the actual loss assuming a 20 per cent. increase in the number of postcards carried. But there is another very important point. We have to remember that if we make the difference between letters and postcards too wide, people will naturally substitute postcards for letters. This House has already affirmed the rate of one anna and three pies for letters and if we had the three pies rate for postcards, I am sure that most of us here—speaking personally I should myself—would write very many postcards than we do at present. I am afraid I must oppose the amendment.

Mr. Amar Nath Dutt: What about the quotation?

The Honourable Sir Frank Noyce: I am much impressed by it.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): The question is:

“That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head *Postcards*, the following be substituted:

‘Single	Three pies.
Reply	Half an anna’.”

The motion was negatived.

Mr. T. N. Ramakrishna Reddi: Sir, I beg to move:

“That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head *Postcards*, the following be substituted:

‘Single	Half an anna.
Reply	One anna’.”

Sir, if Government are not going to be convinced by the arguments, couched in such beautiful poetic language, of Mr. Amar Nath Dutt, and if they are not going to be convinced by the appeals of my Honourable friend, Mr. Gunjal, made in Marathi, the language of the masses who are the sufferers under this heavy increases in postal rates, I do not think they will be convinced with my matter-of-fact arguments.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): Speak in Telugu. (Laughter.)

Mr. T. N. Ramakrishna Reddi: However, Sir, I feel the justice of my case and so I will press this amendment. By this I want to bring the rates to the level that existed before these higher rates were imposed in 1931. I will only quote one sentence from the speech of the Honourable the Commerce Member when he moved these higher rates for our acceptance. He said:

“My Honourable friend’s argument can be shown by a simple arithmetical calculation to be without foundation.”

[Mr. T. N. Ramakrishna Reddi.]

That means that the Honourable Member is proving that though the imposition of this quarter anna extra reduces the volume of correspondence in postcards, yet it brings in enhanced revenue:

"Even assuming an annual increase of ten million in the postcard traffic and ignoring for the moment the wholly unjustifiable optimism of that assumption, then, Sir, at the existing rate that would bring us a nominal increase of barely three lakhs, while at the same time we should have to increase our expenditure to meet the cost of this additional traffic. On the other hand, even if our existing traffic fell from five hundred million postcards to four hundred million postcards, the increased rates would bring us in not less than 25 lakhs while, at the same time, our cost of handling the traffic would be materially diminished."

Thus the Honourable Member had calculated that, by this imposition of a quarter anna as the additional cost of a postcard, he hoped to get no less than 25 lakhs of rupees. Now, I want the Honourable Member in charge to reply how far they have realised their expectations in this particular instance. Sir, as I have already stated, the law of diminishing returns has set in and any increase will bring in a less amount of revenue. Sir, the Honourable Member in charge said that the revenues have been diminishing and so we have to maintain these higher rates. He has budgeted for a deficit of 57 lakhs for this year also. So I want to ask the Honourable Member if he is going to propose any additional increase in the rates of postcards again. If that is not the case, then let not prestige stand in the way of Government; let them revert to the original rate and, I am sure, they will realise the revenue which they had realised in 1930, and that would bring in some additional revenue in this direction also. There is no use in Government saying that we lose 40 lakhs in this and 50 lakhs in that. Last year, when they wanted to raise the revenues, they calculated an increase of 25 lakhs, but now they do not realise it. So I am asking them to go back to the old rates and, I am sure, they will realise higher revenues than what they budgeted for. With these words, I move my amendment.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty):
Motion moved: | | |

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, for the entries under the head *Postcards*, the following be substituted:

'Single	.	.	.	.	.	.	.	.	.	Half an anna.
Reply	.	.	.	.	.	.	.	.	.	One anna'."

Mr. S. G. Jog (Berar Representative): Sir, I have a similar amendment lower down which is No. 74 in the agenda. My Honourable friend, Mr. Reddi, has given facts and figures to show that the experiment of increasing half-anna postcards to nine pies has proved not at all successful. The Postal Department, so far as I know, had some virtues in them before. Promptness and politeness were so far the predominant virtues of the Postal Department; but since last year I find that this Department has followed other Departments like the Army and are year by year getting more thick-skinned and more and more irresponsible to public criticism.

I had an amendment before this by which I wanted that the charges on envelopes should be reduced, but I did not press that amendment, because I thought that that amendment merely affected the rich men and, therefore, I did not press it. But the present amendment more or

less affects the poorer people and, so far as I can see, the Honourable Member in charge has got a reputation for kindness and sympathy towards the poor. My amendment is not of a very reactionary nature; I do not want the Postal Department to go back to three pies, but mine is a sort of compromise between three pies and nine pies. When we find that the experiment of having nine pie postcards has failed, let us enter upon this thing now and let us go back to the old rate of two pice for post cards and one anna for reply cards. Let us give another trial to this and let us see how it results. The tendency nowadays is to go back in all respects to pre-war scales, both in expenditure as well as in taxes and other things. The occupants of the Treasury Benches very well know that the earning power of the people,—or, to use the other technical phrase, the purchasing power of the masses,—has considerably gone down, and the lower class people and the middle class people find it very difficult to write letters or postcards with the result that, except where it is absolutely necessary, they avoid having any correspondence. The circumstances of the life of the Indians have now considerably changed. People do not move within an area of five or ten miles, but they travel all round from this part of India to that part of India; and specially in the case of the labouring classes, people from the south go to the north, west and all other parts and their relatives are very anxious to know all about them. But what has been happening now? The addition of three pies has made it practically prohibitive for people to have correspondence and communication about their families and other things with the result that it is only in the case of death that letters are written. Probably, even in the case of death, they avoid writing letters to inform the relatives,

and much more so by this arrangement than any other. This 4 P.M. Government, which at times claim to be the trustees, the custodians and the well-wishers of the masses, have not taken into account this slight convenience which they ought to give to the masses. Like salt and kerosene, postcard,—I mean the necessity of giving information to one's relatives working in distant parts of the country—has now become almost a necessity. Just as kerosene is essential and salt is essential, postcard is essential once in a way—say once a month at least—and it is necessary to send communications in postcards. I have not got the figures, but I think the Postal Department must have worked out the figures regarding the correspondence per head so far as the postal charges are concerned, and I think the result would show to be extremely unsatisfactory. The poor class people have not been able to send a card, even one card, probably per head in one year. I am not exactly sure about the facts and figures, but I assume the Postal Department must have worked at it and the result would show that poor people have been kept out of this sort of necessary means of communication. In other countries people can make free use of these postcards for communication and other things. In other countries, where the earning capacity of the people is much more than that in India, they take advantage of the postcards and in their case a slight increase in postage does not matter, but, looking at the earning capacity of the people of India, which is far below as compared to other countries, I think the postal rates must in proportion to that be reduced. Sir, as I have already said that my proposal is a sort of compromise and it will give to the Department another opportunity of going back and seeing how things work for a year more, I think the Government should not be reluctant in accepting this amendment. Sir, with these words, I support the amendment.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, I thought that if I did not intervene in this debate, I would not be doing justice to the poor people of India. I do not find fault with the politeness of the Honourable Member in charge of the Industries and Labour Department, nor with the Director General of Posts and Telegraphs, but, Sir, we do want not only politeness, we want that the burden of the poor should be relieved, or at least reduced. It cannot possibly be denied that it is the poor who uses the card more oftener than the rich man. I think India's interest would be better served if, after this rate of postage has been increased, the rich people were to discontinue writing letters and used, as much as they could, cards instead of envelopes. But I do see a tendency in the rich people to stick to their own way of writing a few words on a piece of paper, putting it in an envelope and posting it away. The same custom is in vogue with the people of higher status, but the point at the present moment is that what we want is that the poor men should be given facilities. At present the poor man no doubt writes his card only when it is absolutely necessary and, it may be, he waits to write even that card until he has much substance to write over several matters.

We see that this measure, when enacted, was not to be a permanent one. We were given to understand that this increase was being made for emergency purposes only for some time,—18 months. Sir, strictly speaking, it is a breach of faith, and I submit that, it is necessary for the Government to revise this rate of the postal charges. At one time we had to purchase a card for only three pies. Then the price of the card was increased to six pies and now it is nine pies. We are asking by the amendment to bring it down—it is not a big jump—to six pies. Government may be able to see how much they are going to suffer by this reduction. Government should be in a position to say how much they have been making by the increase in the postage on these postcards, and as I think no figures have yet been given—I wait to see what the Honourable Member in charge is going to say—I must say that there must be real justification for the Government to continue these increased postage on cards and letters. We have seen with regard to this Finance Bill that whenever we asked Government to reduce expenditure or remit duty, they invariably put forth the stereotyped reply that there would be loss on this head or that, and that, therefore, they could not accept any amendment. When the popular side wants that there should be some decrease, it is for the Government side to consider how to meet that particular popular desire and not to say on every question that they would be losers. Therefore, if they do not curtail this postage, I would merely say that that is obstinacy. I would appeal that this question is such that the Government should give very careful consideration to it and at least once in a way yield to the popular opinion. As this question affects the poor, I would appeal to every Honourable Member on this side of the House to be firm and ask for a division. On every occasion of this kind we get the stereotyped reply that there is very much loss which the Government cannot bear and for that reason they will not reduce the duty, and so on, and so forth. If that is the reply, then where is the necessity, I ask, of putting the Finance Bill to the House and of asking the opinion of the popular side. Therefore, I again say that this is the point on which the Government should

The Honourable Sir Frank Noyce: Sir, I was endeavouring this morning

[illegible]

The Assembly divided:

AYES—35.

Abdul Matin Chaudhury, Mr.
Azhar Ali, Mr. Muhammad.
Bagla, Lala Rameshwar Prasad.
Biswas, Mr. C. C.
Brij Kishore, Rai Bahadur Lala.
Chinoy, Mr. Rahimtoola M.
Dudhoria, Mr. Nabakumar Sing.
Dutt, Mr. Amar Nath.
Gour, Sir Hari Singh.
Gunjal, Mr. N. R.
Ibrahim Ali Khan, Lieut. Nawab.
Muhammad.
Jadhav, Mr. B. V.
Jog, Mr. S. G.
Lahiri Chaudhury, Mr. D. K.
Lalchand Navalrai, Mr.
Maswood Ahmad, Mr. M.
Misra, Mr. B. N.
Mitra, Mr. S. C.

Neogy, Mr. K. C.
Pandian, Mr. B. Rajaram.
Paudit, Rao Bahadur S. R.
Parma Nand, Bhai.
Rajah, Rao Bahadur M. C.
Ranga Iyer, Mr. C. S.
Rastogi, Mr. Badri Lal.
Reddi, Mr. T. N. Ramakrishna.
Sadiq Hasan, Shaikh.
Sen, Pandit Satyendra Nath.
Singh, Kumar Gupteshwar Prasad.
Singh, Mr. Gaya Prasad.
Suhrawardy, Sir Abdulla-al-Mámûn.
Talib Mehdi Khan, Nawab Major
Malik.
Thampan, Mr. K. P.
Uppi Saheb Bahadur, Mr.
Wilayatullah, Khan Bahadur H. M.

NOES—46.

Abdul Hye, Khan Bahadur Abul
Hasnat Muhammad.
Acott, Mr. A. S. V.
Ahmad Nawaz Khan, Major Nawab.
Allah Baksh Khan Tiwana, Khan
Bahadur Malik
Amir Hussain, Khan Bahadur Saiyid.
Bajpai, Mr. G. S.
Bhore, The Honourable Sir Joseph.
Clow, Mr. A. G.
Dalal, Dr. R. D.
DeSouza, Dr. F. X.
Dutt, Mr. G. S.
Dutt, Mr. P. C.
Fox, Mr. H. B.
Gidney, Lieut.-Colonel Sir Henry.
Grant, Mr. C. F.
Gwynne, Mr. C. W.
Haig, The Honourable Sir Harry.
Hezlett, Mr. J.
Hudson, Sir Leslie.
Ishwarsingji, Nawab Naharsingji.
Ismail Ali Khan, Kunwar Hajee.
James, Mr. F. E.
Jawahar Singh, Sardar Bahadur
Sardar.

Leach, Mr. A. G.
Mackenzie, Mr. R. T. H.
Metcalf, Mr. H. A. F.
Millar, Mr. E. S.
Mitchell, Mr. D. G.
Mitter, The Honourable Sir
Brojendra.
Morgan, Mr. G.
Mukherjee, Rai Bahadur S. C.
Nihal Singh, Sardar.
Noyce, The Honourable Sir Frank.
O'Sullivan, Mr. D. N.
Rafuddin Ahmad, Khan Bahadur
Maulvi.
Rau, Mr. P. R.
Ryan, Sir Thomas.
Schuster, The Honourable Sir George.
Scott, Mr. J. Ramsay.
Seaman, Mr. C. K.
Sher Muhammad Khan Gekhar,
Captain.
Singh, Mr. Pradvumna Prashad.
Smart, Mr. W. W.
Smith, Mr. R.
Tottenham, Mr. G. R. F.
Vachha, Khan Bahadur J. B.

The motion was negatived.

Mr. M. Maswood Ahmad (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Sir, I move:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, under the head *Postcards*, for the words 'One and a half annas' the words 'One and a quarter annas' be substituted."

My idea is this. At present six pice are charged for a reply postcard, and if the reply postcard is reduced to five pice, it will induce the public to use reply postcards in larger numbers. What happens nowadays is

this. When a man has to write from Calcutta to his family in a village, they do not get postcards so easily with the result that they do not reply to his postcard and Government loses very much. If, therefore, reply postcards are charged only five pice, the man sending the postcard will be induced to write on a reply postcard, because he will save three pices, and his family people in the village will also be able to reply to it at once. In this way it will not only help the poor people, but it will help the Government as well, as they will be able to sell a larger number of reply postcards. Further, last year surcharge was 25 per cent. on each article—even for letters it was 25 per cent., while for the poor man's postcard it was 50 per cent. With these words, Sir, I move.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): Motion moved:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, under the head *Postcards*, for the words 'One and a half annas' the words 'One and a quarter annas' be substituted."

The Honourable Sir Frank Meyce: Sir, my fundamental objection to the proposal of my friend, Mr. M. Maswood Ahmad, is that it is not practicable. If my Honourable friend could devise any means of ensuring that the person to whom a postcard is sent uses a reply postcard and that he alone uses it, then we might possibly be able to entertain the proposal. But what would obviously happen, Sir, is that we should all buy reply postcards, and run a knife down between the postcard and the reply postcard, divide them and use them separately. I am afraid, therefore, that for that reason I must oppose this amendment.

Sir Hari Singh Gour (Central Provinces Hindi Divisions: Non-Muhammadan): Sir, I am surprised at the reply that the Honourable Member in charge of the Department has just given. When this surcharge on the postal rates was raised, a question was put, and, if I remember aright, the Honourable Sir Joseph Blore replying to the debate said that it would be difficult to sell postcards for $2\frac{1}{2}$ pice, and, in order to have a round figure, they had suggested three pice, which is more than half of one anna three pices which is the postage for letters. In strict logic, all that the Government intended to do was to have a postcard for $2\frac{1}{2}$ pice, but as they thought that $2\frac{1}{2}$ pice was very inconvenient to handle, and the emergency was short-lived, they raised the postage to three pice. Now, what is suggested is that while it may be very inconvenient to buy a single postcard for $2\frac{1}{2}$ pice, there is no harm whatever in purchasing two postcards for five pice, leaving the purchaser free to use two, either by way of reply by sending it on to the addressee or using it himself. The inconvenience was the inconvenience then suggested by the Department concerned in pricing a thing for $2\frac{1}{2}$ pice, and that inconvenience is circumvented by the suggestion of the Mover of this amendment. There was no question of any financial loss. On the other hand, every argument is conducive and supports the view that the Government are not entitled to charge more than $2\frac{1}{2}$ pice for a postcard.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): The question is:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, under the head *Postcards*, for the words 'One and a half annas' the words 'One and a quarter annas' be substituted."

The motion was negatived.

Mr. S. G. Jog: Sir, it is just possible that I may be charged with something of inconsistency, because in my amendment No. 74 I say that a single postcard should be charged half an anna and a reply postcard should be charged one anna, but by this amendment I am suggesting:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, after the existing entries under the head *Postcards*, the following new entry be inserted:

'For local service postcard Half an anna'."

Anticipating the fate of my first amendment, I had given notice of this amendment. Let me explain what I mean. This amendment has probably not been understood by the House since I find that it has not been followed up by other Honourable Members, and, therefore, I think I should make the meaning of my amendment quite clear. By "local service postcard" what I mean is this. There are places like Calcutta, Madras and Bombay and many other important commercial centres where a lot of correspondence passes from one place to another, but nowadays, on account of this increase in the rates, there is a tendency amongst many people to use their servants or to employ some other agency to avoid the three pice postcard for communications in the town itself. It is just possible that in villages or small towns these local service postcards may not be taken advantage of fully, but, in big commercial centres, these local service postcards will be very popular, and the introduction of such postcards will add considerably to the revenues of the Department. I am told that such a system exists on the continent also, and, therefore, I see no reason why this experiment should not be tried in this country. This House is generally charged with only irresponsible criticism from this side of the House, but let me take the liberty of placing this constructive suggestion before the Government for their consideration and acceptance. I had also a formal talk with the predecessor of the present Post Master General a year or two ago, but, somehow, after he relinquished his office, no attention was paid to this subject. I hope that the Department will work out this scheme and will carefully consider this constructive suggestion which, if given effect to, will very considerably improve the finances of the Department. I move my amendment, and I hope it will receive the full support of the House.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): Motion moved:

"That in Schedule I to the Bill, in the proposed First Schedule to the Indian Post Office Act, 1898, after the existing entries under the head *Postcards*, the following new entry be inserted:

'For local service postcard Half an anna'."

Mr. N. R. Gunjal: Sir, I support the amendment.

The Honourable Sir Frank Noyce: My Honourable friend, Mr. Jog, has put forward a valuable suggestion, but I should like to tell him that it is not quite as novel as he might seem to think. This question has been examined by the Posts and Telegraphs Department from time to time and various objections have been raised to its adoption. Some of those objections. I do not think, are very substantial. One of them, I find, was that

the number of local deliveries would have to be increased to meet the growth in local traffic. If that were the case, it would, to my mind, carry exactly the opposite implication. The growth of local traffic should be welcomed, not deprecated. There are other rather more vital objections. One is that a flat rate for all distances is now the accepted principle and that we can hardly depart from it. There would undoubtedly be difficulties in sorting local and other letters. Again, there might possibly be difficulties in distinguishing local letters from non-local letters, as the post marks are not always quite as legible as we would like them to be. A further difficulty which was brought forward was the difficulty of demarcating local areas for local delivery. Those were the difficulties which were put forward and which caused the proposal for the time being to be dropped. But it is a fact, as my Honourable friend, Mr. Jog, has stated, that this system is actually in operation in some European countries, and, I think, therefore, in view of that, the Government of India ought certainly to examine the matter further with a view to finding out whether there is any possibility of bringing the system into operation in this country, at any rate in regard to some of the big towns. It might, for instance, be possible to make an experiment in a very well defined area such as Bombay Island. I can assure the Honourable Member that we will, therefore, go ahead with this examination and find out how the system works in European countries and whether there is any possibility of doing anything in that direction here when the times improve. I must add "when times improve", because it must be perfectly obvious to my Honourable friend that a reduction of 50 per cent. in the charge on a postcard is not likely to double the number of postcards that pass through the post. I should like to add that there would not in my view be any justification for distinguishing between letters and postcards in this respect, and, if it should be possible to introduce a reduced rate for postcards for local delivery, we should also have to make some reduction in the case of letters. I hope that my Honourable friend will be content with this assurance and will not press his amendment.

Mr. S. G. Jog: In view of the not exactly sympathetic, but quasi-sympathetic reply of the Honourable Member in charge, I beg leave of the House to withdraw my amendment.

The amendment was, by leave of the Assembly, withdrawn.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): The question is that Schedule I stand part of the Bill.

The motion was adopted.

Schedule I was added to the Bill.

Mr. President (The Honourable Mr. R. K. Shanmukham Chetty): The question is that clause 4 stand part of the Bill.

The motion was adopted.

Clause 4 was added to the Bill.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 28rd March, 1933.