

*Wednesday,
8th March, 1911*

ABSTRACT OF THE PROCEEDINGS

OF THE

Council of the Governor General of India,

LAWS AND REGULATIONS

Vol. XLIX

April 1910 - March 1911

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THE COUNCIL OF THE GOVERNOR GENERAL OF INDIA

ASSEMBLED FOR THE PURPOSE OF MAKING

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VOLUME XLIX



Published by Authority of the Governor General.



CALCUTTA :
OFFICE OF THE SUPERINTENDENT OF GOVERNMENT PRINTING, INDIA.

1911



GOVERNMENT OF INDIA.
LEGISLATIVE DEPARTMENT.

PROCEEDINGS OF THE COUNCIL OF THE GOVERNOR GENERAL OF INDIA,
ASSEMBLED FOR THE PURPOSE OF MAKING LAWS AND REGULATIONS
UNDER THE PROVISIONS OF THE INDIAN COUNCILS ACTS, 1861, TO
1909 (24 & 25 VICT., c. 67, 55 & 58 VICT., c. 14, AND 9 EDW. VII, c. 4).

The Council met at Government House, Calcutta, on Wednesday, the 8th
March 1911.

PRESENT :

The Hon'ble MR. J. L. JENKINS, C.S.I., Vice-President, *presiding*,
and 56 Members, of whom 50 were Additional Members.

SUBSIDY FOR VERNACULAR NEWSPAPERS.

The Hon'ble BABU BRUPENDRANATH BASU: "Sir, with your leave I shall place before the Council the resolution* which stands in my name. There is a slight error in the wording of my resolution: the amount, Rs. 65,000, mentioned there should be Rs. 62,500, and I would ask your leave to rectify that mistake in the resolution which I propose to place before the Council.

"My object in placing this resolution before the Council is, I must at once frankly admit, to call early and prominent attention to this subject. For some time past we have had rumours that the Government of Bengal contemplated making a large subsidy to a Vernacular newspaper to be started in our province. That rumour found a place in the leading Anglo-Indian journals and only lately has been confirmed by an announcement made in the Local Council that it is going to place Rs. 62,500 annually at the disposal of a private gentleman to start a Vernacular newspaper. One would have thought that the proper course that I should have adopted was to have moved a resolution in the Local Council. But, Sir, there are rumours already that other Local Governments, notably the Government of Eastern Bengal and Assam, are trying to follow suit, and that what Bengal has now adopted as its policy may soon be adopted by other Local Governments. As you know, Sir, the example of evil is very contagious; it spreads much more rapidly than a good precedent does. It is specially contagious when evil is hatched in the darkness of bureaucracies where light can hardly penetrate, and when it does enter it only serves to make the darkness more visible. Therefore, I have thought it my duty to bring to the notice of this Council and of the country this latest act

* That the special grant to the Government of Bengal be reduced by the sum of Rs. 65,000, the amount which the Government of Bengal has promised as subsidy towards a Vernacular paper to be started in Bengal.

of the Government of Bengal. The difficulty that we feel is that, like many other measures of Government, it is one of those measures which the Government has already undertaken, and public criticism becomes unavailing at this particular stage. Nevertheless, whatever may be the sacrifices, whatever may be the difficulties, in retracing a wrong step, I conceive it our duty as public men to offer such criticism as we think fit upon measures of Government in the hope that, if the step has been erroneous, it may yet be retraced.

“In speaking of this measure I wish to speak with the utmost respect for the Government of my own province. Sir, Bengal, if I may say so without impertinence, has after many years had a Lieutenant-Governor whom she knows and who knows her people. Somehow or other there is a feeling in Bengal that we Bengalis have got but few friends in high places. That feeling may be right—I do hope and trust that feeling is wrong; but we have laboured under that feeling for some time past. The present feeling in Bengal, however, is that, in any event, in the Government of Bengal at least we have got some good friends and true of the Bengali people, and amongst those good friends we have always recognised Sir Edward Baker to be one. And, therefore, I must frankly say that it grieves me not a little that I should have felt it my duty in this Council to ask its opinion and to express its disapprobation of a measure which the Government of Bengal, I am afraid, has thoughtlessly taken. I shall not say a word in this controversy which will have the remotest effect of turning away from us the sympathies of my own Government. I believe that the Government of Bengal in taking this step has fallen into an error. The best of us are liable to err, members of the Civil Service not excepted. It is inconceivable that we should seek to bind a structure with ropes of sand or to build up public opinion with the slimy mortar of a subsidized Press. But, notwithstanding the apparent impossibility of such a task, it is now sought to be attempted. I am sure that the Government of Bengal feels that it has got very few friends in the Vernacular Press of the province. I am sure that it feels that there is an under-current of bitterness, if not of hostility, in that Press, and I believe that it is prompted by a sincere and genuine desire to start a paper which will give to the people the views of Government and which will explain in its own way measures and acts of Government which will serve to dissipate and remove prejudices against, and misapprehensions of, its acts and measures and which will therefore help to destroy the evil and baneful influence of a hostile Press. This, I believe, is the object with which the Government has come forward, even in its present bankrupt state, to make a large and substantial grant of Rs. 62,500 a year for three years.

“I readily and frankly concede that the Government of Bengal are actuated by a sincere desire for the public good in starting and promoting this paper; but the question arises—the great and important question—that, assuming and admitting the *bona fides* of Government and giving to it full credit for a sincere desire only to promote good and not to foster evil, what will be the effect of this step? That is what we as practical men are concerned to see. Sir, people will wonder that the Government of a great province like Bengal—for I submit we are still great though divided, I submit we are still great though, as my Hon'ble friend Mr. Sinha says, my province is misnamed Bengal—should act in this way and what will be the effect of this step. That is the principal question for consideration. Will the people read this paper? The Government will subscribe for 25,000 copies; we will assume that the Government will find means for the distribution of these 25,000 copies. But I ask you, Sir, who will read the columns of this journal loaded with silver to a particular leaning? Will it be the honest exponent of public opinion or will it be only the paid hack of a great and powerful Government? Naturally people wonder and ask, is the Government so blind, is their vision so oblique, to a result so obvious? But is there after all much to wonder at? For I may say without any disrespect that the Members of the Government—I speak in the presence of puissant Members of that body—live in an artificial atmosphere from where currents of outer life are sedulously kept away by the impenetrable panes of official infallibility. They do not move, as we move, in the busy haunts of men where thoughts converge from diverse ways and move in eddies carrying with them the hopes and

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aspirations lying scattered in the by-paths of human life. They are not affected by public opinion in the same way as men who live a public life and who have means of gauging the strength of that opinion. They certainly have reports, they have statistics, they have figures, they have papers in abundance bound with red tape, sometimes with little danger signals attached to them. But you may, Sir, as well attempt to construct a living human being out of the skeleton in the Professor's laboratory as you may construct a living human society moving with the ebb and flow of those forces which we call life, out of figures, out of papers, out of red tape and out of little flags. And the result is oftentimes, as in this case, a complete and absolute divorce—I will not say from common sense, but I will say from reality—from public opinion in matters of great public interest

“The paper will no doubt appear; the Government will find means to distribute 25,000 copies broadcast; but I ask again, what good will it do? It is not to be forgotten, I believe even the Members of Government know it, that people read the Vernacular newspapers not only for the news they contain; there are many other things in the Vernacular newspapers closely touching the life of the people, and the large mass of our countrymen naturally seek to know what the more enlightened amongst them have got to say on matters social, matters economical, matters political; these are the things for which the Vernacular papers are largely read. The Government paper will no doubt put forward on a Government measure the Government aspect of the question. Sometimes probably, I may ask you, Sir, how often will that view be accepted? For there will always be a suspicion, well founded in this case, because there is money behind it, that this opinion is not honest, that this opinion is not independent, that this opinion is not frank, and that this opinion is paid for.

“On the other hand, there will be a watchful, a jealous, a critical and independent Vernacular Press which will come forward with lightning rapidity upon the pronouncements of this Government-subsidized paper, seek to tear it to pieces, and there before the innocent rustic will be the expression of what he will conceive to be the independent opinion of this country. The result will be that in the village *patshalas*, in those humble places of amusement in our villages where people collect of an afternoon to spend their time and talk about diverse subjects, including, I am afraid, sometimes village scandal, the politics and the policy of the rival set of papers will be an active subject of conversation; and I am quite sure that you will admit that much good will not result from this discussion. I am quite sure that in these discussions people will be apt to place greater reliance upon the independent organs of public opinion, and I am quite sure that the evil thus produced will be much greater than the evil sought to be put down. I am drawing no fanciful picture, for in this case I have the misfortune to be able to appeal to experience, even to the experience of officials. Some years ago, under official advice, I will not say official pressure, the Universities of India adopted—credit is due to the University of Madras which resisted that pressure—a book which I believe you all know—Lee Warner's *Citizens of India*. That book was intended to teach loyalty to the rising generations of our young men. There was a note of warning in many local Senates that it would have a directly contrary effect, that Lee-Warner's conclusions were not accepted by the majority of our countrymen, and that when these conclusions were placed before immature youths they were sure to be controverted by other people, and young men would accept with a great deal of hesitation, if not suspicion, conclusions and facts which were placed before them by the Universities through official pressure. The result was amply justified, and, I believe, after five years' time, the Government and the Universities, after pouring in, I believe, a huge sum of money into the pockets of the author, for which I do not grieve, dropped this book, if I am permitted to use a homely expression, like a hot potato. I am afraid my friend to my right, the representative of the Government of Bengal in this Council, will find that before three years are over he will have to drop this experiment, for it will be an experiment fraught with greater danger to the experimenter than explosive substances on a chemist's crucible. I will not detain the Council by speaking at greater length. The subject

[*Babu Bhupendranath Basu ; Mr. Dadabhoj.*] [8TH MARCH 1911.]

seems to me to be so simple, to be so plain, that I hardly think it is much use putting arguments before this Council which are almost self-evident. I say, therefore, that this paper will do no good, that probably it will not be read, that most likely it will be boycotted, and that it will not serve the needs for which it is sought to be brought into existence. It will not even in many cases be able to explain Government's motives on any particular act or measure, for Government motives are oftentimes matters of State which cannot be divulged. It will not be able even to take the public into its confidence in advance, for unhappily the Government of my country has the happy knack of developing a scheme from which it knows it will not recede and launching it forth upon the public and inviting criticism upon it which it knows will be unavailable. All this it will not achieve, but it will do a great deal of harm; it will create an atmosphere of controversy which will be surcharged with elements of hostility and bitterness. Is it desirable that it should be so? I appeal to my colleagues in this Council to discountenance this subsidy, and I appeal to them with all confidence. I appeal to the English Members present here to bear in mind the great traditions of their country—traditions which will not suffer for a day any Government to enter into a bargain with the Press of the country. I will appeal to my own countrymen to see that new dangers are not added to newspapers whose life is already under a great menace; and I appeal to you in confidence that you will help to persuade the Government of Bengal to undo, to rectify, the great error into which it has fallen, and in doing so you will uphold the fair fame of your own Government in the eyes of an Oriental nation; for, mind you, Sir, it will be on the tongue of everybody that the Government is seeking, after it has passed an Act, to check the liberty of the Press; it is seeking, by means which will never be looked upon as fair, to win over the small remnants of that Press which are still left to guide public opinion and to offer criticisms upon Government measures. For this and other reasons, weighty in themselves, I ask you, Sir, I ask my colleagues in this Council, to support me in this resolution, which is that the grant of 7 lakhs and odd, which my Hon'ble friend the Finance Member has provided for the impecunious Government of Bengal, may not be frittered away for an object unworthy in itself, and which will not be achieved by the means that it has adopted."

The Hon'ble MR. DADABHOJ: "Sir, when I came to this Council this morning, I had no intention whatsoever of speaking on this motion; but after having heard my friend the Hon'ble Babu Bhupendranath Basu, I think I would be shirking my duty—my conscientious duty—if I on this occasion did not oppose him and point out various important matters which absolutely make it necessary that this subsidy should be given. I must at the outset make my position absolutely clear. I am one of those people who regard any subsidy given to papers with a great deal of disfavour. I am entirely against the principle of such a thing, and I would, under ordinary circumstances, have strongly opposed such a proposal. But I feel that circumstances in this country have happened which enlist my sympathies the other way. I feel that the action and conduct of Government on various occasions have been misinterpreted, and a great deal of misunderstanding has been deliberately created by a section of the Vernacular Press. Many of us will remember what Sir Herbert Risley said when he introduced the Press Bill in this Council: how Government had been accused by certain sections of the Vernacular Press of many misdeeds, and that even natural visitations, such as the plague, were attributed to them. Government was charged with poisoning wells; famines were attributed to the Government's action; and a great deal of misunderstanding was, and has been, caused by some of these papers by misinterpreting matters. We are also aware, and every Member of this Council who had the opportunity of reading certain sections of the Vernacular Press must have come to the conclusion, that some of these people have used the Vernacular Press as their organ for misrepresenting facts and matters; and I do not see any reason why the case of Government should not be properly brought to the attention of the people, and why, wherever misrepresentation of the Government policy or any particular Government action has been

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published in such papers, public opinion should not be corrected and brought into line. I have heard with great interest the very interesting speech of the Hon'ble Babu Bhupendranath Basu; but if he had substantiated his speech by giving any formidable and substantial reasons why this action should not be taken, I should have warmly supported him. I waited throughout his speech to find any such reasons; but I have been disappointed. Perhaps my friend is not aware that after all this is not a new experiment. In a country like India, such a thing, in my opinion, is very necessary. It has been tried in all European countries. In England the different authorities have their own organs; if one Party states one thing which has been misinterpreted, there is the opposite Party's organ to contradict and controvert those allegations. In India we have not anything of this sort, and I do not see why a Vernacular paper should not be subsidized for the purpose of explaining the policy of the Administration where such policy has been deliberately distorted by selfish and interested organs. It is for this reason that I wish to oppose the resolution, and I shall give my support to the proposal put in the Budget; and I think every non-official Indian Member will carefully and impartially consider this matter and see what amount of injury is being done to the country by a certain section of the irresponsible Vernacular Press, and I do hope that the Council will on this occasion boldly oppose the proposition of the Hon'ble Mr. Basu."

The Hon'ble SIRDAR PARTAB SINGH: "Mr. President, as the Hon'ble Mr. Basu said just now, the evil of having a subsidized newspaper has not yet reached my province, so perhaps it might be said that I am a little bit beforehand in expressing my own opinion on this question. To my mind there is no doubt about this, that the dogma of sedition which has been preached in India has mostly been done through the Press, and now, if the Government wants to utilise the Press to remove misapprehension, to remove any doubts that may have been formed in the minds of people, I call it only fair play. Why are they objecting to it now? After all for a long time those who are against Government, they have had in the Press what they wanted; and so I think it is only right that Government should have their say now. In fact, when people hear both sides of the question, it will be much easier for them to decide which is right and which is wrong. I firmly believe, Sir, that if ever since the party against Government was started in our country Government had taken some steps to say what they have on their side of the question, a good deal of the present trouble would not have existed. With these words, Sir, I oppose the Hon'ble Mr. Basu's resolution."

The Hon'ble MR. GOKHALE: "Sir, I wish to say a few words in support of the resolution which my Hon'ble friend Babu Bhupendranath Basu has placed before the Council. I wish to support this resolution first because there is a report abroad that other Governments, besides the Government of Bengal, intend to follow suit, and secondly, because, though this matter concerns, in the first instance, Bengal alone, still there is a large principle involved in this question, and I think it is as well that that principle should be discussed from all points of view. But, Sir, before I say what I have to say on this subject, I would like to prevent, if possible, an injustice being done to the gentleman who has come forward at the instance of the Bengal Government to undertake this work. I refer to my friend Rai Narendra Nath Sen Bahadur. I am anxious that no wrong impression should go forth from this Council Chamber about the intentions or motives of the Rai Bahadur, or about the terms on which he has accepted this work from the Government. Rai Narendra Nath Sen Bahadur is one of the veteran journalists and public men of this country, and many of us, including, I am sure, my friend Mr. Basu, have held him in the highest respect for all the time that we have been in public life. And I feel bound to say this for Rai Bahadur Narendra Nath Sen, that among the public men of the country he is second to none in straightforwardness, in courage, and in strength of conviction; and it must also be recognized that he has laboured long and incessantly for the welfare of the country. I am quite sure, therefore, that the description of a 'paid hack' is the very last

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that can ever be applied to Rai Bahadur Narendra Nath Sen. At the same time I must say that the Rai Bahadur has undertaken a task which is beyond the power of any human being. If the Government are anxious that misrepresentations of their acts and intentions, which, from time to time, appear in the Vernacular Press, should be corrected promptly—a desire which I can understand and with which I largely sympathise—whatever other course might be effective, this certainly is not an effective course. Far better that the Government should have an organ of its own, an open State organ conducted out of State funds and issued as a State publication. Or there are other possible ways, to one of which I will presently refer. But the course actually adopted by the Bengal Government is about the worst that could have been adopted, and I am quite sure that it will be found to be absolutely ineffective in practice. However high may be the character or the motives of a man who comes forward to conduct a subsidized paper, there can be no question about the fact that so far as the bulk of the readers, i.e., of the public, is concerned, there will always be an impression that the opinion expressed in the paper is not an independent opinion. And in the present case, for one man who knows Rai Narendra Nath Sen Bahadur personally, I will only judge him from appearances. When it is known that the paper depends for its existence upon a large subsidy from the Government, no further proof will be required by most people to discredit the paper and, along with the paper, all that appears in it.

“I have said, Sir, that I can quite understand the desire of the Government that they should have a few friends at least in the ranks of the Vernacular Press—papers that will give them fair play, papers that will assume the best, till the worst is proved. I quite recognise that situations sometimes arise when this desire may be strongly felt by the Government. But I am firmly convinced that the only way in which a real remedy can be found for such a state of things is by working for a general improvement in the situation of the country. Some of the remedies proposed, from time to time, may go some way. A State paper, for instance. Such a paper would have certain advantages over a subsidised paper conducted by a private individual. As my Hon'ble friend Babu Bhupendranath Basu has pointed out, how are the opinions of a subsidised paper to be regarded? Nobody will think that the opinions there have the weight which would be attached to a pronouncement from Government; for it will always be doubted if the editor of such a paper would be really taken by the Government into its confidence. Then there will be views about social questions and religious questions, about which Government is bound to observe an attitude of neutrality. Even in political matters, the paper will not represent the views of Government. Rai Narendra Nath Sen Bahadur, for instance, is not the man who will conceal his views where he feels strongly. Are the Government prepared to accept the responsibility for the views which he expresses? If not, why should the Government come forward and spend Rs. 62,000 in supporting a paper the social and religious views of which it cannot accept and the political views of which it may not be prepared to accept? As I have already observed, far better that the Government should issue a State publication of its own. Then it will at least avoid all religious and social questions; it will also avoid ordinary political controversies. Whenever it notices misrepresentations about its intentions in the Press, it will correct these misrepresentations and the public will know authoritatively what the Government have to say.

“But, Sir, there is another way, which perhaps would be better than a direct State organ. The Government might, without directly coming into the field, get some of its more pronounced friends or champions to undertake the work. There is, I understand, a body here, called the ‘Imperial League,’ of which, my friend, the Maharaja of Burdwan, is a distinguished member. The other day, when this body waited in deputation on the Viceroy, His Excellency made a suggestion that the members should not confine themselves merely to prosecuting addresses to departing and incoming Viceroys. And I am quite sure that the members themselves take the same view of their responsibilities. And they would, no doubt, be glad to come to the

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support of Government, especially when a serious question like this has to be solved. Many of the members of the League are very wealthy men, and, if a suggestion were made to them, it is more than probable that they would come forward to start an organ of their own—an organ that would actively combat the views that are circulated in a section of the Vernacular Press. The paper will, of course, represent the views of certain wealthy gentlemen in the country only, but they will be men who have a stake in the country, as we are often reminded, and their view would be free from all those objections which may be urged against a subsidised paper, since there will be no Government money behind it. I think in many respects this would be a far more effective course to take than either a directly subsidised paper or even a State organ. But, when all this is said, I really do not believe that any of these courses will really achieve anything very much. The attitude of the Vernacular Press, deplorable as it may at times be, depends largely on a number of circumstances. For one thing the normal relations between the English and the Indians in the country determine it; and the special questions which for the moment may happen to agitate the public mind also largely influence it. And then there are the writings in the columns of the Anglo-Indian Press. What happens very often is that writers in the Vernacular Press take up the articles or attacks in the Anglo-Indian papers and reply to them. The officials, who read these replies, apply them to themselves, because the writers in the Vernacular Press often express themselves generally against Europeans as such, taking the Anglo-Indian Press to represent European views. And the real remedy for this state of things is neither a subsidised paper, nor a State paper, nor even a private organ, specially started by influential men, but a sustained and statesmanlike effort on both sides to bring about a general improvement in the relations between Englishmen and Indians in India. But whatever may be thought of this view, there is no question that the Bengal Government have made a great mistake, and I earnestly hope that a similar mistake will not be made by other Governments. Bengal has been fortunate in getting Rai Bahadur Narendra Nath Sen to undertake the work. Those who know him will not need to be told that he will not express any opinion which he does not himself hold. But other Governments may not be equally fortunate. They may choose individuals for the task who have not the same prestige and the same qualifications as Mr. Sen possesses, and the result then may be most mischievous."

The Hon'ble MAHARAJADHIRAJA BAHADUR OF BURDWAN: "Mr. President, I must frankly admit that I am on the whole in a dilemma by the resolution that my Hon'ble friend Babu Bhupendranath Basu has put forward in Council to-day, because I fully sympathise with the views expressed by Babu Bhupendranath Basu that such a paper will probably meet with hostility and criticism from the enlightened in the province. On the other hand, I feel that past experiences have shown that the Government are often in a very false position when certain unfounded motives are ascribed to their actions—motives which have been so well mentioned by my Hon'ble friend Mr. Dadabhoj. But while I think that Mr. Basu's resolution should receive the most careful attention of the Government, I fully support Mr. Gokhale's views regarding a State organ; not that even such a State organ would be popular, but it would not put into a false position men like Rai Bahadur Narendra Nath Sen, who is universally respected and who will be undoubtedly, when this newspaper is published, under a cloud among certain sections of the community who have hitherto valued his public spiritedness, and who will in future think that in his future actions he may or may not be guided by the dictation of Government. The reason that I wish to bring these matters to the notice of the Government is that I know full well that the Bengal Government is now bound to support this paper and that it has, I believe, entered into a contract or is about to do so with Rai Bahadur Narendra Nath Sen regarding this *Susil Samachar* of his. But I think, Sir, that this experiment, if it is to be tried, should be tried only for a year and not for three years. Then again, regarding having a State

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organ, I think this matter should also be most carefully considered by the Government, so that, if it be possible to start a State organ, then let the State organ be started and newspapers not subsidised.

"My friend Mr. Gokhale has mentioned about the Imperial League. I am afraid the Viceroy's frank advice to the members of the League has been much misunderstood, because those members of the League who really wish the League to be a success have much appreciated those weighty remarks of His Excellency. Others have thought it has received a reprimand not to simply present addresses to incoming and outgoing Viceroys. The Imperial League could not freely, in its address to the Viceroy, say the actual work it is doing, because the work of the League is all confidential, and it is certainly not a subsidised association or anything of the kind. The reason that the Imperial League has not started an organ as yet, though it contemplates, I believe, to start one, is that it will only start an organ which will be able to give on the one hand the views of Government as they ought to be given and on the other hand the views of the people as well. It is for these reasons that the Imperial League would not consider of starting an organ under the auspices of the Government alone."

The Hon'ble MR. CHITNAVIS: "Sir, it looks as if this resolution wanted to find fault with the Bengal Government, and I oppose it on the ground that it is not the function of this Council to do that. If the Bengal Government think that there should be such a paper, it is no duty of ours to check them. They know the circumstances of their province better, and we must leave them to their own discretion and not checkmate them by disallowing the grant made to that province for general purposes. These are my grounds for opposing this resolution. In my opinion the Bengal Council will be the proper place for such a discussion."

The Hon'ble MR. GRAHAM: "In associating myself with what my Hon'ble friend Mr. Dadabhoj has said on this resolution I only want to say a few words as I should not like to give my vote in silence. I feel that for years the Government has been working at a great disadvantage with the Vernacular Press. It is so easy to misinterpret and in little ways to put a misconstruction on Government actions in the Press, and then Government has been in the position of a man unarmed, in no way able to refute or to correct the wrong impressions that have been made. I think it is only fair, as Mr. Dadabhoj has said, that they should have some chance of putting matters straight and being able to put forward before the people what their real intentions are."

The Hon'ble MR. MADGE: "Sir, there is one view of the matter that appears to me to have been overlooked by some of the previous speakers. As a retired, perhaps I should say as a 'reformed,' journalist, I of course agree with all the abstractions that have proceeded from the Mover of this resolution. My difficulty on this, as on more than one former occasion, has been to apply those abstractions to some of the realities that we have to face in this country. Now, in this Council we have heard a great deal said about the grave need of primary education in this country. In my humble opinion there is no sphere in which primary instruction is so much needed as in the relations of the governed to the governors. When education was started in this province more than fifty years ago, Dr. Duff and some of his colleagues urged the theory that filtration would secure all that the Government wanted, and that if education were once set on a proper footing, it would gradually reach down to all the masses and touch every village in the country. I have no doubt that Dr. Duff and his colleagues acted with the best of motives; but a greater delusion could hardly have been entertained in those days. How far has any appropriate understanding of the Government filtered down to the masses to-day, and whose business was it to make right views filter down? On a former occasion, Sir, I expressed the opinion, and I repeat it now, that the evolution of any country ought to proceed on moral lines, before venturing on political lines. Whose duty was it to help uplifting the ignorant masses? The burden of it lay

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upon those who had received any light at all from abroad or from anywhere else. I say it, Sir, without any desire of creating ill-feeling, but I do feel very strongly that instead of doing more for the moral elevation of the masses while harping on political reforms and one thing or another, the better educated classes have neglected one of their principal duties and failed to realise one of the great hopes based upon their education, when education was granted to this country. Now, Sir, the Government comes forward after a great deal of mischief has been done and tries to rectify this mischief by getting its views and facts, that have been misrepresented by the Vernacular Press, laid before the country. It has been said that, if an official organ can be started, it would perhaps do the work in some sort of fashion. But all the remarks that my Hon'ble friend the Mover has made against a Government grant would apply to such an organ the moment it was realised as an official organ. It would be called *voanal*, and all the other adjectives that have been employed this morning would be applied to it, and perhaps rightly; whereas in choosing a man who is highly respected by everybody who knows him—I have claimed his friendship for five and twenty years and know he is highly honoured everywhere—in claiming a man of that sort, Government claims one of the best results of enlightenment in this country and says to the people of this country: 'We have chosen a man whom you can trust implicitly because of his character and past conduct, and it is through this channel that we want to have true views of things reaching down to his countrymen.' Is there any stronger moral position that a foreign Government would take in any country? I do not know whether my Hon'ble friend Mr. Gokhale, in saying that other Governments would be less fortunate than the Government of Bengal, means that they would be guided by worse motives, or that similar results to that which have been produced in Bengal have not yet been produced in other quarters."

"The Hon'ble MR. GOKHALE: "No; what I said is that they may not succeed in inducing men of that stamp to take up the work."

"The Hon'ble MR. MADGE: I am glad to have this explanation: it removes a little weight from my mind. I do hope that all over the country there are men of moral earnestness, men who are touched with the sufferings of the poor, who want to relieve them by every means in their power. And why should not other Governments follow the example of the Government of Bengal? It has been said of the Government of Bengal that it was very tardy in the days that have gone. I do not say so, Sir; but leaving alone the past, if, as I venture to think, the Government of Bengal have done perfectly right in coming forward to-day, and if it should have made any mistake in not having come forward a little earlier, I think all other Governments throughout this country would be very wise if they avoided any mistake that the Government of Bengal may be supposed to have committed."

The Hon'ble MR. SLACKE: "Sir, those who are conversant with the mufassal of the province to which I belong will know how common it is for villagers to assemble in the evening to hear the local postmaster or the local schoolmaster read out to them the contents of one or other of the various Vernacular publications issued in this province. Now, I would ask the Hon'ble Members to consider how often in those publications is any good motive ever assigned to Government or any praise given to Government for the good results which have happened from their measures? What one does find, and find in abundance, are distorted representations of what may result from the actions of Government—misrepresentations of the Government's intentions and suppressions of the truth. Now, so I understand, the Hon'ble Mover of this resolution is willing to admit the existence of all these evils, but is unwilling that any steps should be taken by Government to counteract them. There I wholly and entirely differ from him, because I consider that it is essential that something should be done on behalf of those ignorant masses to furnish them with an antidote to the poison which has for so many years been steadily instilled into their minds and which is still being instilled."

[Mr. Mudholkar ; Mr. Mazharul Haque.] [8TH MARCH 1911.]

The Hon'ble MR. MUDHOLKAR : "Sir, when I came in this room this morning I had no intention of saying anything on this subject ; but after what has been said by my friends from the Central Provinces I deem it my duty to give expression to my opinion, which is not in accordance with theirs. Sir, I think it is very necessary on the part of those who believe that their work lies in co-operating with Government in preventing the misunderstandings and misrepresentations of the acts or the motives of Government to take care that nothing is done which would defeat the purpose which all of us loyal citizens of the empire have at heart. I frankly admit that there are journals—and their number unfortunately at present is considerably large—which write in a spirit which is most deplorable and reprehensible. It is very necessary that those kinds of writing should be discountenanced and every effort should be made to administer an antidote to the poison which is being spread from day to day. Last year, when I had to accord my humble support to the Press Bill, I had to frankly admit that the number of those journals was unfortunately large. For what I said in this room I was taken severely to task by several of those journals. What I would ask, Sir, this Council to consider is this : Is the method of subsidising a paper the best method of counteracting that poison ? There is, as my friend the Hon'ble Mr. Gokhale has said, the direct method, which is the method which I recommend Government should adopt. It is to have an organ established by Government for refuting misrepresentations wherever they are made. That is the direct method. There is no concealment of the real object in it. It has the merit of being frank, open and straightforward. And I believe it will have far more effect and it will carry greater conviction than the writings of men who would be called paid hacks. My friend, Rai Bahadur Narendra Nath Sen, is one whose friendship I have had the honour to enjoy for 28 years, and his paper, the *Indian Mirror*, is one of those which I read regularly, and which has often, I know, helped to put forward the view of Government and the view of all sane people throughout the country. I am afraid that immediately it is known that his newspaper is a subsidised paper the value which is attached to his opinions will greatly diminish, and Government would be losing the support which his age, his experience, his knowledge and his independence give to them. It would be the same in other provinces also. Let us take, for instance, the *Indian Patriot* of Madras. That is a paper which is sturdy in its independence, and at the same time takes a very sober and dispassionate and loyal view of opinion. If my friend, Diwan Bahadur Karunakar Menon, became a subsidised journalist, the influence which he wields over the Madras Presidency will be gone. Let us, again, take the case of what I would call the English section of the *Gujerati*. The Vernacular section of the *Gujerati* is at present held in distrust, but not so the English section, which, as our President probably knows, is conducted by a gentleman of very sober views. Immediately that gentleman is employed as a Government agent, his influence would cease. As I have said, it is very necessary to administer an antidote to the poison which is being spread. That work would have to be done by two agencies: the first would be the direct agency of Government, and the second would be the agency of those true adherents of Government who value the moral life of the country, and recognise the support which is due from them to the Government. It is our duty to have newspapers which, while they are independent, while they are fearless, will at the same time take care to do away with the mischief which is being done by the thoughtless, the ignorant or the perverse. That is the work to be done, and I believe it is only in those two ways that the antidote can be effectively administered in this country."

The Hon'ble MR. MAZHARUL HAQUE : " My excuse, Sir, for rising to take part in this debate is that the resolution of my Hon'ble friend, Babu Bhupendranath Basu, concerns my own province, and I think I will be failing in my duty if I did not give my honest opinion as regards the principles involved in it. Sir, the evil that a section of the Vernacular Press is doing, a great deal of mischief, is recognized by all thinking men, and there is no doubt that it is the duty, the bounden duty, of Government to counteract this mischief. I am myself a constant reader of the Vernacular papers, but they are all in Urdu and

[*Mr. Mazharul Haque ; Nawab Abdul Majid.*] [8TH MARCH 1911.]

I have not come across any sedition in those papers ; but there are undoubtedly certain sections of the Vernacular Press which are doing mischief by their wild writings. Admitting the evil, the question arises, whether the remedy which is being provided by the Government of Bengal is really the true remedy and whether other remedies cannot be found. Sir, I have not the least hesitation in saying in this Council, although I may be misunderstood by my own countrymen to-morrow, that the leaders of Indian public opinion have not done their duty in this matter. Sedition has to a certain extent spread in the country, and it was the bounden duty of the leaders to have checked it, which they could easily do. They could have organised societies, they could have held meetings, they could have a regular campaign against sedition ; and I certainly believe that if they had only done their duty, sedition would not have been so rife in the country as it is. But I do say at the same time that the remedy which has been provided by subsidising a paper is not the right one. In my opinion it will create mischief—greater mischief than has already been done. I will give an example, Sir. The Government of Bengal is subsidising the paper. Well, what will be the policy of that paper ? We all know that unfortunately for this country there are certain questions—very few questions indeed—upon which Hindus and Muhammadans differ. Take, for instance, the question of the partition of Bengal. On this question the unanimous opinion of the Muhammadans of India is that the partition of Bengal should not be undone. Then, Sir, what is this paper going to do ? I should like to know which side of the controversy is it going to help. Is it going to try and assist in undoing the partition of Bengal and go against the public opinion of Muhammadans ? I am certain that my friends the Hindus of Bengal do not like this partition : they are trying their best to have it reversed, and we, Muhammadans, shall try and resist their efforts. What is that paper going to do ? Which side will it take in the controversy ? If it takes up the question of the partition of Bengal and helps my Hindu friends, what will be the result ? We shall oppose the paper in a body, we shall fight for it. But if it helps us and comes over to our views, which is, most likely, as the Government is on this subject at one with the Muhammadans, then who will read this paper I should like to know ? I do not think anybody will read it.

“ My Hon'ble friend Mr. Slacke has given his views and there is a great deal of truth in them. But I should like to have an explanation to the objections that I have just taken. Sir, I am not an admirer of sycophancy or of hypocrisy. I would like my people to be manly and self-reliant and to fight for their rights. I am afraid I have myself got the reputation of a fighter in this Council ; but I should like them also to give due credit to the good intentions of the Government. The British Government have done a good deal for the country, and we ought to appreciate it and be grateful. But how is this opinion to be spread in the country ? It will not be spread by subsidising a paper as the Government of Bengal is now wanting to do. I would rather pass certain laws which would compel all papers, including the Anglo-Indian papers, to publish communiqués of the Government ; but I would not subsidize any paper at all, because this will create much greater mischief in this country than my Hon'ble friend Mr. Slacke or the Government of Bengal imagine. With these few remarks I support the resolution of the Hon'ble Member.”

The Hon'ble NAWAB ABDUL MAJID : “ Sir, I consider that this subsidy which Government is granting to this paper is the right course that the Government is adopting at the present time. We have heard the speeches of the Hon'ble Members to-day in this Council, and I find that they are all agreed that the Vernacular papers which are being circulated in this country are not doing their duties as they ought to do. It has been admitted on all hands here that the ideas and the principles of Government when brought to the notice of the masses are not brought to their notice in their true colours, but they are blackened, and it is said that the intention of the Government is not good. That being so, the question now is, how should Government counteract such a spread of noxious ideas among the masses of this country ? I have heard one

[*Nawab Abdul Majid ; Mr. Sachchidananda Sinha.*] [8TH MARCH 1911.]

or two Members of this Council say that this will not meet the object for which it is going to be enacted, that is to say, for which a subsidy is going to be granted. It is said on the one hand that a State paper will be of much more importance and will carry much more weight; but a State paper, if it is started, will be considered to be an organ of Government and it will not carry the same weight as a paper started by a man who is independent of Government in some way or other. It is said that the grant of a subsidy will also stamp that paper as subordinate to Government and it will not carry that weight which it would otherwise do. But the question is, supposing if the Government were going to start a State paper, how will Government be able to know the views and ideas which are underground, unless a paper is started by a private person? That private person will be in a much better position to know the ideas and the feelings of the people than Government, if it is going to start a State paper. I say, Sir, that this is the most salutary measure which Government is going to adopt, because at present discontent and unrest are confined to towns. If Government is not going to take some measures to counteract such discontent and unrest, it is quite possible that it will reach the villagers, and if it will reach the villagers, then I do not know what will be the result. The result of it will be such that then it will be impossible for Government to counteract the result of such noxious ideas among the masses and among the villagers. It has been said that it is the practice that these Vernacular newspapers are read in chaupals and in some post-offices in villages, and that every act of Government, which ought to be given as if it were in its true colours, is there laid before the people in all its evil side, and the people there do not know, do not understand, what is the real intention of Government. So unless something is done and some such step is taken so as to bring the real things to the notice of the masses, then I think it will be impossible that the Government of this country will be safe in future. Sir, I would go further and say that this salutary measure which Government is going to introduce in the province of Bengal, the Governments of other provinces also should take the same steps to introduce, so that they may not be hampered by the same difficulty that the Government of Bengal is hampered with at the present time. If these steps had been taken beforehand, if the mass of the people would not have been infected with the evil idea beforehand, then probably the Government of Bengal would not have to meet the same difficulty that it is meeting to-day. With these remarks I oppose the resolution."

The Hon'ble MR. SACHCHIDANANDA SINHA: "Sir, as one of the non-official representatives of the Lower Provinces and also as the only Member of this Council who is perhaps unfortunately the editor of a journal in these days of stringent Press laws, I think I may be allowed to say a few words in support of the resolution brought forward by the Hon'ble Mr. Basu. If I may say so without impertinence, it seems to me, Sir, that a good deal of the discussion carried on in this Council on the subject under discussion has been more or less irrelevant, in view of the fact that there is hardly any difference of opinion amongst us that a section of the Vernacular Press, and possibly a large section, is conducted on lines which are not conducive to the public good. Therefore, any disquisitions such as those which we have heard to-day, especially from my friend the Hon'ble Nawab Abdul Majid, if I may say so with all deference, are irrelevant to the discussion. What we are considering here is whether the particular line of action adopted by the Government of the Lower Provinces, is one which shall meet with the object which the Government profess to have in view. That is the only point, other considerations being, if I may say so, merely false issues. Now, if that be the case, I have no hesitation in saying that, in my humble opinion, the object aimed at by the Government will be frustrated. I need not cover the same ground as that done before me by some of the previous speakers; I shall only say that it seems to me that the gentlemen who opposed this resolution have evidently forgotten the old adage that you may take a horse to the water but cannot make him drink; and, therefore, although the Government may circulate broadcast 25,000 copies of this paper and spend on it a sum of more than Rs60,000, I do not see how they will be able to attain

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their object unless the schoolmasters are directed to read out of it column after column to their pupils, and officials are circularized to read it sedulously so as to get their money's worth. - And unless disobedience to those orders is made penal, I doubt very much if the effort is likely to succeed. My sympathies are, therefore, entirely in favour of the suggestion made by my Hon'ble friend Mr. Haque that Government, instead of starting a special or subsidized organ, should largely resort to the practice now partially prevailing of issuing communiqués to the Press and compelling, by even legislation, if necessary, the Vernacular papers to publish them; provided, of course, that liberty is reserved to the Press to comment on these communiqués. With these words, Sir, I have great pleasure in supporting the resolution before the Council."

The Hon'ble MAULVI SYED SHAMS-UL-HUDA: "Sir, upon this resolution prudence would probably have dictated to the non-official Members a policy of silence; but I feel that the question is one of such importance that I should not give a silent vote on it; and I am sorry that I must oppose the resolution proposed by my Hon'ble friend Mr. Basu. It has been said that the question is not whether the Vernacular Press is doing its duty, and that such a question is irrelevant, and that we have only to see whether the policy that Government has adopted is the best suited to attain its own object. I am afraid, Sir, it is an after-thought. If my Hon'ble friend Mr. Basu thought that Government would be well advised to start a paper on its own account, probably that advice would have been tendered to the Government of Bengal itself; and further he might have asked, instead of asking for a reduction to the extent of Rs 62,000, for an addition of a lakh of rupees to enable the Government of Bengal to start its own paper. As I read the resolution, Sir, I look upon it as a vote of censure upon the Government of Bengal for having subsidised the particular newspaper; and therefore I think it is perfectly relevant to discuss whether the situation is such as to justify the action. It has been said by all the speakers that the Vernacular Press—at any rate a large part of it—has been misrepresenting the views of Government. It is also conceded that our educated countrymen have not done their duty in this respect. If under these circumstances the Government of Bengal subsidises a particular paper for the purpose of enabling the Government to explain its views to the people, I think the Government does what it ought to do and Government would be failing in its duty if it did not do that. At any rate it shows that the Government is anxious to conciliate public opinion and to create an enlightened public opinion instead of allowing the mind of the public to be poisoned by the sort of literature that is catered to the public day by day. It has been said that after all this would be a paid public opinion. But every opinion is more or less paid opinion. The editors—I mean no offence to my Hon'ble friend on the left—do not always express their own views. They have to consider what things and what opinions would satisfy those for whom their paper is intended and what would bring their paper the largest circulation. I am, I believe, right when I say that the paper of which Babu Narendra Nath Sen is the editor has not probably the good fortune of having a quarter of the subscribers that other newspapers have, which express opinions more suited to the taste which they are responsible for having created; and under these circumstances, if an honest journalist like Babu Narendra Nath Sen finds himself at a disadvantage in competition with the rest, Government comes and gives him a helping hand and asks him to be an exponent to a certain extent of Government's views, Government does exactly what is right and proper; and I think, Sir, in considering this question we should not forget the personal character of the man whom Government has chosen to represent its views. I believe the worst enemies of Babu Narendra Nath Sen will not say that he would, because his paper is subsidised, sacrifice his conscience and do anything that is unworthy of him. Therefore, in selecting such a man the Government of Bengal has shown good sense, for which it ought to get credit. I do not think I need dilate very much upon this question. I know this, that every man, even the meanest individual, has a right of defending himself when he is attacked. Our personal reputation is a valuable asset, and so is the reputation of a Govern-

[*Maulvi Syed Shams-ul-Huda; Mr. Earle; Babu Bhupendranath Basu.* [8TH MARCH 1911.]

ment; and I think, Sir, if the Government of Bengal is attacked before the bar of public opinion—attacked unjustly, villified and traduced—it has every right to choose its own mouthpiece so as to defend itself and to show how unworthy are those attacks.

“With these words, Sir, I beg to oppose the resolution which has been moved by my Hon’ble friend.”

The Hon’ble Mr. EARLE: “I must congratulate the Hon’ble Mover on the dialectic skill with which he introduced his speech and also on the very picturesque language which he employed. I must say that I speak at a disadvantage, being, as he alleges, ‘a mere skeleton tied up with red tape’. On the other hand, there is some advantage in being a skeleton, as the shafts which my Hon’ble friend launches can be received with impunity. I do not think that any serious public man would deny that there is a great evil to be met in connexion with the Vernacular Press, even if he could not agree as regards the particular remedy to be applied. Unfortunately for me, one of my multifarious duties is to read translations of extracts from the Vernacular Press. I fear that the impression which an impartial reader would gather from a perusal of these papers is that he was living under a tyrannical and arbitrary despotism instead of under the mild sway which is the natural outcome of applying British principles of administration. No serious public man would, I conceive, hold that Government should sit still with folded hands and allow the evil to go unchecked. The practice of subsidising the Press with the object of making known the intentions of Government is well known on the Continent of Europe. Fortunately in England such a measure is unnecessary, because there every shade of opinion finds expression in the Press. So too here in India there is no necessity for any action as regards newspapers which are published in English. There are some newspapers of that class which, in a general way, uphold the policy of Government. Others are stern critics of the policy but are moderate in tone, or are, at any rate, not uniformly and invariably hostile. The Vernacular Press, on the other hand, is in a lower stage of development and it is much less well-instructed. It is not too much to say that, with, of course, honourable exceptions, Government is not represented in these newspapers in a fair manner and meets with little or no support from them. The Press Act can, of course, and does, control open sedition. That is a different matter. There is such a thing as damning with faint praise, and the cumulative effect of hostile criticism is great. These are the newspapers which reach the comparatively uneducated masses, and it is necessary that the masses should be given at least an opportunity of judging for themselves whether the hostile criticism of Government is justified. The Government of India have left it to Local Governments to deal with the problem in such a way as may seem to be best. In some provinces it may be possible to subsidise existing newspapers which are of moderate tone; in other cases it may be necessary to assist the starting of new journals. Or it may be that other better methods will suggest themselves. The particular action taken in each province is a matter of experiment; and, if the experiment fails, it can be abandoned and some other better method adopted. It must, however, be clearly understood that there is an evil to be grappled with and that it is the duty of Government to take steps to reduce it.

“Lastly, I wish to bring to notice that though this resolution is, technically speaking, in order, in that it aims at a reduction of the special grant to Bengal, the subject-matter is one which would more suitably be discussed in the local Legislative Council. The Local Governments are, of course, responsible for the particular methods adopted for giving effect to the general policy of the Government of India.

“With these remarks, Mr. Chairman, I suggest that the resolution should not be adopted by the Government of India.”

The Hon’ble BABU BHUPENDRANATH BASU: “I am afraid, Sir, that there is some misapprehension of the grounds upon which I have put my resolution; but before I deal with them I must say at the outset that in offering

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the observations that I have ventured to offer in this Council I had not even in the remotest degree before my mind the personality of the gentleman who has been selected in Bengal for editing the newspaper that has been subsidised by Government, and in all the remarks which I have made I have not for a moment thought of him. I share with my Hon'ble friend Mr. Gokhale—who in Bengal does not?—the great esteem in which my countrymen hold Babu Narendra Nath Sen. He has laid the country under great obligation to him for services in the past; but there must be, and there is, a limitation even to the greatest man; and in the task which Babu Narendra Nath Sen has undertaken I believe he has bargained to do a work which will be beyond even his powers, namely, to preserve an attitude of perfect independence and at the same time to make the people believe, with the subsidy behind him, that he has preserved such an attitude. I will say at once that I fully recognize that there is an evil to be combated and put down; in fact, in my own speech I have referred to it. All that I have ventured to demonstrate is that the method that has been selected, instead of combating the evil, will aggravate it: that is my position. It will lead to further hostility and bitterness. It would be quite a different matter if the Government had started a newspaper of its own, for then there would be no possibility of a belief that, in the garb of independent advice, what the people were receiving was the opinion of Government. The people would like to hear first hand what the Government has got to say in defence or in explanation of its own measures; and when the Government makes a statement, it is taken as a statement by Government of its objects and reasons; but when a third party makes the statement, it comes from one who is more or less in the confidence of Government and whose policy must necessarily be guided by the support that he receives from Government. That is the objection that we have ventured to urge against this method of trying to meet the evil. My Hon'ble friend Mr. Huda says that this is the best method suited to meet the evil. I really fail to see—even the Hon'ble Mr. Earle has not adopted that position—on what grounds he considers that this method of subsidising a Vernacular paper is the best method of meeting the evil that has arisen, and I conceive that there will be great difficulties and complications. There are, and there are bound to be, matters of public interest in which different sections of the people might be opposed to each other; and the attitude which this paper will take upon questions like these will surely embarrass the Government in its relations to the people. That is a view which should not be lightly set aside. I regret, Sir, that my Hon'ble friends Mr. Dadabhoy and Mr. Ohitnavis should oppose my resolution. I have not known of a Vernacular paper in this province which has said that Government was poisoning the wells to kill the people, or that Government was spreading plague, or that Government was purposely creating pestilence or famine. It may be otherwise in my friends' provinces. But assuming that is so, assuming that this class of misguided and mischievous writers are allowed to exist and are not touched by the present laws that we have enacted, will the mere statement of a newspaper which will live upon a Government subsidy remove or check the evil? That is the question which has got to be considered; and I would ask my Hon'ble friends to consider that question calmly and dispassionately. I was surprised to hear from the Hon'ble Nawab Abdul Majid that a paper conducted by the State will not have the same weight as a paper conducted by a private individual. However high the position of the private individual may be, whatever may be the weight of his authority, that position and that weight are bound to be deleteriously influenced by the support that the Government will openly give him.

“My friend the Hon'ble Mr. Madge agrees with me in the abstract propositions. Does it strike him as to why laws which are right in the abstract miscarry in practice? Does he analyse the surface over which these laws work, and does he realise why these laws, which hold good in other countries, do not hold good in our country, because of the difference in the sphere of their application? I pointed out—I referred to the experience of Lee-Warner's

[*Babu Bhupendranath Basu ; Sir Guy Fleetwood [8TH MARCH 1911.]*
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book. Men connected with the Universities will at once assure this Council of the immense mischief which that book created. It would not be a rash assumption for me to say it, that much of the state of things which we lament to-day might be attributed to the influence which this book exercised upon young minds over a series of years. There are many ways in which Government may check the evil. My friend Mr. Gokhale has indicated to some extent what those ways may be.

"One of my friends has said that if this motion of mine had been for increasing the grant by a lakh of rupees to enable the Government of Bengal to start a paper of its own, he would have seen his way to support me; but I am here, Sir, not for the purpose of submitting constructive schemes, for unfortunately the Governments of this country seldom consult public men in the schemes they frame, and no wonder that their schemes, like the schemes of another class of beings, 'aft gang agley'; but my duty here was to point out that the present scheme is not at all a suitable scheme for the object intended to be achieved. These are the only observations with which I beg to put my resolution to the House."

The Council divided:—

Ayes—9.

The Hon'ble Nawab Saiyid Muhammad Sahib Bahadur; the Hon'ble Mr. Subba Rao; the Hon'ble Mr. Gokhale; the Hon'ble Mr. Mudholkar; the Hon'ble Pandit Madan Mohan Malaviya; the Hon'ble Raja Sir Muhammad Ali Muhammad Khan of Mahmudabad; the Hon'ble Babu Bhupendranath Basu; the Hon'ble Mr. Sachchidananda Sinha; and the Hon'ble Mr. Mazharul Haque.

Noes—44.

The Hon'ble Mr. Andrew; the Hon'ble Mr. Quin; the Hon'ble Mr. Birkmyre; the Hon'ble Mr. Madge; the Hon'ble Mr. Graham; the Hon'ble Mr. Monteath; the Hon'ble Sir Sassoon David; the Hon'ble Mr. Chitnavis; the Hon'ble Mr. Phillips; the Hon'ble Mr. Dadabhoy; the Hon'ble Mr. Gates; the Hon'ble Maung Bah Too; the Hon'ble Lieutenant Malik Umar Hayat Khan; the Hon'ble Sardar Partab Singh; the Hon'ble Lieutenant-Colonel Davies; the Hon'ble Mr. Slacke; the Hon'ble Mr. Stewart-Wilson; the Hon'ble Mr. Dempster; the Hon'ble Sir Vithaldas D. Thackersey; the Hon'ble Sir T. R. Wynne; the Hon'ble Mr. Kesteven; His Excellency the Commander-in-Chief; the Hon'ble Mr. Carlyle; the Hon'ble Mr. Butler; the Hon'ble Mr. Syed Ali Imam; the Hon'ble Mr. Clark; the Hon'ble Sir Guy Fleetwood Wilson; the Hon'ble Major-General Grover; the Hon'ble Mr. MacLagan; the Hon'ble Sir Lionel Jacob; the Hon'ble Mr. Porter; the Hon'ble Mr. Robertson; the Hon'ble Mr. Brunyate; the Hon'ble Sir Henry McMahon; the Hon'ble Nawab Abdul Majid; the Hon'ble Maulvi Shams-ul-Huda; the Hon'ble Mr. LeMesurier; the Hon'ble Mr. Holms; the Hon'ble Mr. Meston; the Hon'ble Mr. Fremantle; the Hon'ble Mr. Todhunter; the Hon'ble Surgeon General Lukis; the Hon'ble Mr. Graves; and the Hon'ble Mr. Macpherson.

So the resolution was rejected.

FINANCIAL STATEMENT.

SECOND STAGE.

The Hon'ble SIR GUY FLEETWOOD WILSON: "I now have to move the second stage and I do not propose to offer any remarks beyond drawing attention to the fact, for the information of Members of Council, that there are a few changes in regard to the heads which are attributable to the changes which have taken place in the constitution of the Government of India. The creation of an Education Department has necessitated the removal of one or two heads from one Department to another and, of course, they will therefore be taken in charge by other Members than took charge of them last year. There is a further slight change in regard to the particular heads for which I have to answer. Salt and Excise have been transferred to my Hon'ble friend the Member for Commerce and Industry."

[8TH MARCH 1911.]

[Sir Sassoon David.]

OPIUM.

The Hon'ble SIR SASSOON DAVID: "Sir, I beg to move the following resolution which stands in my name:—

"That this Council recommends that the quantity of opium for export to Singapore and other markets outside China be taken at 10,000 instead of 16,000 chests, and the price at Rs. 2,500 instead of Rs. 1,500 in the Budget Estimates."

"My resolution refers to that portion of my Hon'ble friend the Finance Minister's speech which deals with the disposition and apportionment of the number of chests of Bengal opium between China and Singapore and other markets outside China.

"The alteration which my resolution embodies arrives at a higher figure by 10 lakhs of revenue, and when I have made it clear, I feel no doubt that the Hon'ble the Finance Minister and the Council will see their way to adopt the resolution.

"I desire in the first place that the total number of chests allocated for Singapore and other markets outside China may be reduced from 16,000 to 10,000 chests. My investigations into the statistics of the last few years has unmistakably demonstrated that the exports to Singapore and other markets outside China have not exceeded the average of 14,000 chests per annum, and that out of that quantity between 3 and 4 thousand chests were annually shipped from those ports to China.

"It is evident, therefore that these markets do not require for their own consumption more than 10,000 chests a year.

"I am surprised to see from the Financial Secretary's memorandum that it is expected that 20,000 chests or double the quantity of this annual average consumption will be sold for Singapore during the next financial year.

"In the second place, I am strongly of opinion that if the number of chests is reduced from 16,000 to 10,000 for the calendar year, Singapore market opium would certainly realise the same price as China opium, *viz.*, Rs. 2,500 instead of Rs. 1,500 per chest, and perhaps more, because 10,000 chests, as I have shown above, are about the actual requirements of those markets and there will be no other source of supply.

"I do not wish to commit myself by saying, as I said last year, that the budgeted figure of Rs. 2,500 per chest for China is too low. Everything depends upon the result of the negotiations now going on in Peking. But I can say with confidence that if our Government succeed, which we all hope they will, in safeguarding the legitimate interests of the trade so long as the trade remains, next year this time there will be another great windfall from opium notwithstanding the budgeted figure of Rs. 2,500 per chest against Rs. 1,750 for the past year. On other grounds too I contend that my resolution should commend itself to the acceptance of this Council. It would have the effect of restraining the smuggling of opium from Singapore and elsewhere into China, and by adopting it we would be practically furthering the cause of which the Hon'ble Finance Minister expressed himself the other day in such warm terms of approval.

"We would also be meeting the protestations of China, of which we have heard so much, that despite the anxious desire and the restraining influence that has been studiously exercised by the Government of India, the China market has been flooded with Indian opium.

"Sir, to sum up the situation briefly, my resolution if adopted will lead to the following advantageous results. It will strengthen the position of Government both in regard to their own finances and in their relations with China, Government will have 6,000 unsold chests for future disposal representing a net revenue of one crore and a half or perhaps more. We shall hear the last of the complaint from the Chinese that India is placing on their markets a larger number of chests than what has been actually promised. It will also reduce considerably the unfair competition to which the legitimate trade with

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China is exposed owing to opium smuggled from Singapore on account of the temptation of large profits arising out of the vast difference in prices. I am sure Government are anxious to protect the merchants trading with China by securing them against illegitimate rivalry. And these results will be attained without in any way dislocating the Budget estimates, rather by improving them by 10 lakhs.

"With these words, I ask the Council to adopt this resolution, reserving my remarks until the Budget discussion as to the treatment meted out to British merchants by the Chinese authorities."

The Hon'ble SIR GUY FLEETWOOD WILSON: "The Hon'ble Member, in a manner to which I can take no exception, has alluded to the difference between the result of our sales and the forecast which we took last year, and he as well as others has indulged in the pleasurable occupation of saying 'I told you so.' I do not deny, and we never contended last year, that their forecast was altogether unreasonable. Our statements in Council last year showed that we fully recognised the possibility of ours being an underestimate; but the figure we took for opium was not the result of timorous or hapazard calculation, but what we considered to be prudent. What we maintained all through is that no prudent, indeed, no reasonable, man would base a budget on the wild fluctuations of a speculative, I may even say an emotional, market.

"I take this opportunity of saying that in my opinion our attitude was sound as is evidenced by the extraordinary and hysterical communications which throughout the year I have been receiving almost daily from those interested in the opium trade. The alternations in their feelings of confidence and despair nearly exceeded the remarkable fluctuations which have taken place in the price of opium. I do not know what the price may be or may not be this year, but I shall be very glad indeed if it turns out to be higher than that which I had taken. But there is no desire on my part to budget for a windfall, and I still maintain that ordinary prudence necessitated great caution in forecasting the prices for the future.

"Coming now to the main point, which he pressed upon us, I may say that I have listened with great interest to the speech of my Hon'ble friend opposite. He naturally takes a very great interest—a personal interest—in the opium question, and is thoroughly conversant with it. I am placed at a very great disadvantage in replying to him, inasmuch as in taking the course which is the only one open to me I frankly admit that I lay myself open to the charge of not meeting the points which he has raised. I would ask him, however, to accept my assurance that if I do not do so it is not from any desire to treat him cavalierly or from any lack of respect for the arguments which he has advanced. I can only repeat the assurances which I gave in my Financial Statement with regard to the attitude of the Government of India. We are fully mindful of our duty to safeguard to the utmost extent possible the rights of the Indian opium traders and to do our utmost to get justice done to them; but beyond that I can say no more, and for this reason: negotiations of the most delicate character are at the present moment going on in Peking, and I will tell the Hon'ble Member quite candidly that I am afraid of saying anything more lest I should injure those very interests which he has at heart.

"I cannot accept the resolution."

The Hon'ble SIR SASSOON DAVID: "My object in moving this resolution was to put the merchants dealing with China on the same footing as those of the Straits Settlements and other countries outside China. By making this differential treatment in the price of opium, I am sure the merchants in China will be very badly handicapped, and it is only with that view that I wish that the treatment of the merchants dealing with China should be on the same equal footing as those of other places."

The resolution was put and rejected.

[8th MARCH 1911.] [Mr. Gokhale ; The President.]

INTERPRETATION OF RULES.

The Hon'ble MR. GOKHALE : " Sir, before I proceed to the first of the series of resolutions of which I have given notice, I would like to get one or two points cleared up in the remarks which you made in this Council yesterday about the interpretation to be placed upon some of the rules; and I hope, therefore, that you will permit me to address to you a few observations.

" Sir, the rules which govern these discussions require, first, that our resolutions should refer to specific entries in the Financial Statement; secondly, that they should be clearly and precisely expressed and should raise definite issues; and, thirdly, what you mentioned yesterday, that the discussion should be limited to the subject of the resolution, and should not extend to any matter as to which a resolution may not be moved. In addition to these requirements, however, it appeared to me yesterday that two other limitations would be introduced by the interpretation placed on these rules by you, if that interpretation, as understood by me, were to be enforced. One is that the proposers of resolutions should also state how effect is to be given to their proposals, and secondly, that the whole of the proposals, whatever they may be, should be such as could be carried out during the year following. Now Sir, if your first dictum merely means that we should indicate in our speeches, supporting our resolutions, what steps may be taken by Government to reduce or raise expenditure, as the case may be, in the direction indicated by us, I have nothing to say; I accept that at once and it would be on those lines that all my remarks will be made. If, however, the dictum means that I should point out exactly how the particular reductions proposed are to be effected, well, all I can say is that that is entirely beyond any non-official Member of this Council. It would be a good reason for the Member in charge to urge, in opposing a given motion, that the motion was not practicable; and if, by any chance, the proposer succeeded in getting the Council to accept it, the Government could veto it on that ground. But my contention is that it cannot be ruled out of order on that ground. The whole position comes to this: here is the Budget Statement placed before us, asking us to assent to certain entries. I say that a particular entry should be a little less than what is proposed; if the Council accepts the view, the matter goes to Government; if it does not, the matter drops. The only thing that the Government may fairly insist upon is that the proposal should be such that it should be within the competence of the Department concerned to give effect to it, and that no large questions of policy beyond the competence of the Department should be raised.

" As regards the other point, I would respectfully submit, Sir, that it would be enough if a beginning could be made in the direction indicated during the budget year, and the whole proposal need not be carried out in the course of that year.

" Finally, Sir, one word about the purposes of these motions. It appeared to me that your observations on this point implied that the resolutions, of which I have given notice, travelled really beyond the purposes which these rules have in view. Now, Sir, may I respectfully point out that last year precisely similar resolutions were allowed, and we had at that time in the chair Sir Harvey Adamson, who as Home Member, in concert with the Law Member, was the author of these rules. He certainly would have called me to order if my resolutions had gone beyond the purposes of the rules. However, I hope I take it that, if I adhere to the lines which I have indicated in a general way, I shall have no difficulty on any point of order."

THE PRESIDENT : " I am very glad that the Hon'ble Member has given me an opportunity to state the position more clearly. I will begin where he left off. A precedent is not made in a day, and if a mistake was made last year—I do not say that a mistake was made—we are not bound by it for ever. In the next place, I would say that what I said yesterday was intended partly by way of indication of the interpretation which I would place upon the rule, and partly by way of well-meant advice to Hon'ble Members who had resolutions on the table. Now, what I said then was, and what I say now is, that a

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resolution should be what it purports to be. It ought not to be used as a device for raising questions unconnected with the substance of the resolution, and I think that that sufficiently arises out of rule 13 which the Hon'ble Member has quoted.

"As to the other point, the advice which I gave, that Hon'ble Members should, in moving their resolutions, indicate in what manner effect should be given to their proposals—that, of course, is not a point of order except in so far as their doing so may be an evidence of good faith and goes to show that a resolution is really a genuine one and not intended to serve any ulterior object. But as a matter of advice I think it is good advice. Of course I never intended to imply that an Hon'ble Member in proposing a reduction should state exactly where every rupee of that reduction should fall; but I do think that he should be able to show that the reduction is practicable and how it should be effected during the course of the year to which the Financial Statement relates. I hope that what I have said will satisfy the Hon'ble Member that I have no intention of straining the rules; in fact, my desire is to allow Hon'ble Members the utmost possible latitude which is consistent with the practical, reasonable and business-like conduct of our affairs. I have sufficient confidence in the skill and experience of the Hon'ble Member as a debater to be sure that whatever interpretation is placed upon the rule, he will be able to say whatever he wishes to say."

OPIUM.

The Hon'ble Mr. GOKHALE: "Sir, I do not wish to move the resolution* about opium, of which I have given notice, in view of the fact that the Department is more or less a doomed Department now. It is quite true that threatened men live long; but as the expenditure in this Department will now necessarily be curtailed, I wish to withdraw my resolution."

THE PRESIDENT: "The resolution is withdrawn."

MINT.

The Hon'ble Mr. GOKHALE: "Sir, I beg leave to move that this Council recommends that the expenditure under Mint be reduced by Rs. 50,000. It is somewhat unfortunate that the first of the series of resolutions which I have to move should be about a Department about which I have to say the least; but as Mint happens to come first, I must state what I have to say in a few words. I find, Sir, on an analysis of the figures for the last few years that the charges of this Department—I am confining myself to establishment charges and contingencies—are a very variable amount. Evidently, when there is money to be spent, the charges go up; when there is no money to be spent, the Finance Department is able to cut down the expenditure on establishment charges and contingencies. I find, for instance, that, as in the case of many other Departments, the highest point of expenditure was reached in 1907-08. As I have already said, I am confining myself to charges in connection with establishments and contingencies, and I may state that in connection with most other Departments I will do the same. I find that these charges, which, in 1905-06, were 6·9 or, say, 7 lakhs for the Mint Department, rose to nearly 9 lakhs in 1907-08, and that was the highest point reached. Then the Hon'ble Member, probably in view of the deficit which was then expected, put on a brake, and we find that in the next year—1908-09—the charges fell from 9 lakhs to 7·13 lakhs. The next year, i.e., in 1909-10, they fell still further. They fell to Rs. 6,69,000. That is the lowest figure reached by these charges in recent times. Now, Sir, I find that there is a tendency for these charges to go up again; is it because the stringency of the

* "That this Council recommends that the expenditure under Opium be reduced by Rs. 50,000."

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financial position is disappearing? And I would like to know why this is happening. Last year the Department budgeted for Rs. 7,18,000, though the revised estimate is less; this year they have again budgeted for Rs. 7,23,000. This is a figure about Rs. 51,000 in excess of the figure for 1909-10, and my point is that, as the charges of this Department appear to be elastic, capable of being cut down when the Government wants to cut them down, and liable, to go up and go up pretty largely, when Government have money, in view of the debate on retrenchment we had the other day and of the necessity for finding money for many other objects, the budget grant for expenditure under this head should be cut down by, say, Rs. 50,000, which I propose in my resolution. Another thing to which I wish to draw the attention of the Council in this connection is that in the Calcutta Mint, while other charges have been kept down, and are, as a matter of fact, showing a lower and lower level, the charges in connection with Direction and Office have been steadily rising. In 1905-06 they were Rs. 66,000; in 1908-09 they reached the highest point, about Rs. 85,000; and for 1909-10, the last year for which figures are available to me, I find they were at Rs. 75,000. Now this steady rise in Direction and Office charges requires some explanation, and I hope that that explanation will be forthcoming.

"One more suggestion and I have done. I find that there are seven appointments in this Department with salaries ranging from Rs. 500 to Rs. 3,000, and there is not a single Indian among them. If, in the course of the next year, a vacancy occurs, either temporary or permanent, and if the Hon'ble Member will see his way to appoint an Indian, even if he does not give him a lower salary, he will be able to effect a saving in exchange compensation allowance; and I propose that he should take advantage of any such contingency arising. With these few words, Sir, I commend this proposal to the Council."

The Hon'ble SIR GUY FLEETWOOD WILSON: "I may remark, Sir, that the salaries are consolidated salaries, so my Hon'ble friend's plan would not save a penny if I appointed an Indian to-morrow morning. I now come to the question which he has raised, and very reasonably, namely, that the higher appointments in the Mint are not given to Indians. They are limited to five, and under an old regulation, a regulation for which I am not answerable, they are reserved for officers of the Royal Engineers. The decision was arrived at years ago, and as long as those appointments are allotted to Royal Engineers, Royal Engineers will have to be appointed to them. As regards the subordinate skilled class employed in the Mint, an intimate acquaintance is necessary, which can be only based on experience, with the complicated machinery which is used in the Mint. So far as I am able to understand a somewhat technical case, it is only the people who have been more or less trained in places in Scotland where this particular machinery is made who are competent to deal with it. That accounts for these few appointments not being given to Indians.

"I may also allude to the Assay Office, which is part of the Mint, but which my Hon'ble friend has not dealt with; but I prefer to deal with it, otherwise we may have a resolution in connection with Assay. The higher appointments are four and they are limited to members of the Indian Medical Service, in which service there are a great number of Indians, and distinguished Indians. Any Indian officer in that Service would be considered for any of these appointments if he liked to apply for it; but none has ever yet applied for it.

"The Hon'ble Member has alluded to the great rise which took place in 1906-07."

The Hon'ble MR. GOKHALE: "In 1907-08."

The Hon'ble SIR GUY FLEETWOOD WILSON: "1906-07, I understand. However, it does not matter. It was the year when the coinage, as is within the knowledge of my Hon'ble friend, was in excess of what it had ever been before. The fact is that in the case of the Mint it is the one Department in which the relation is absolutely between the cost of the

[*Sir Guy Fleetwood Wilson ; Mr. Gokhale.*] [8TH MARCH 1911.]

establishment and the productive power of that establishment. The Hon'ble Member knows that I have set my face against anything like undue coinage or unnecessary coinage. But it is in the slack years, and only in the slack years, that we can take advantage of the Mint being more or less light worked to recoin obsolete and worn out rupees, and I watched it myself most carefully and personally, and that is really what we have been doing. I must also point out to the Hon'ble Member that when we get a slack year, unless I do find some means of employing the Mint, the greater portion of that subordinate class which is entirely Indian would have to be turned out into the streets, and it is partly from a consideration for these people whom we employ that I allow the minting to go on of obsolete and worn out rupees so as to avoid wholesale discharges.

"I now come to the question which he has alluded to of 1907-08 (I made a mistake about the other year). The increase which he alluded to was attributable to the introduction of electric power into the Mint. It was a perfectly legitimate increase. There is thus no real increase in the expenditure of the Mint so far as I am able to ascertain, and I have taken trouble to ascertain it, to the best of my ability. Whatever apparent increase there is, is due to increase of coinage and therefore of receipts. As I have already explained, when we are not coining, as fully as we sometimes are, new rupees, we are bound to take that opportunity of replacing coinage which is not fit for circulation.

"I hope that with this explanation my Hon'ble friend will realise that in connection with the Mint as with the other Departments which come under my jurisdiction, I have made every effort to control expenditure, to introduce economy and at the same time to safeguard the vested interests of people who very often cannot speak for themselves—the subordinate Indian class in our employment."

The Hon'ble MR. GOKHALE: "There is only one point on which I should like to hear a word of explanation, and that is why the charges are going up again after having gone down up to 1909-10. I recognise that during that year and the previous year the charges were going down. They reached their lowest point in 1909-10—Rs. 6,69,000. There is no new coinage going on now, and I want to know why the charges are going up again. The Hon'ble Member has budgeted for Rs. 7,28,000 for next year."

The Hon'ble SIR GUY FLEETWOOD WILSON: "I have already explained to the Hon'ble Member that the relation between increase and decrease in the cost of the Mint is the relation which exists between more coining and less coining."

The Hon'ble MR. GOKHALE: "I do not wish, Sir, that the resolution should be put to the vote. After what has fallen from the Hon'ble Member, I would like to withdraw it."

• The resolution was withdrawn.

FAMINE GRANT.

The Hon'ble MR. GOKHALE: "Sir, I beg to move that this Council recommends that the allotment of seventy-five lakhs of rupees under Famine Relief and Insurance, which is proposed to be devoted to reduction or avoidance of debt, be abolished, or, at any rate, suspended till it becomes necessary to borrow again for meeting famine expenditure.

"Sir, I had moved a similar resolution in the course of the financial discussion of last year, and the first part of this resolution, at any rate, is a repetition of that resolution. In view of what the Finance Minister said yesterday, that he would consider the desirability of creating a sinking fund of a definite amount, there is not much point in my pressing this resolution on the attention of this Council. But the Hon'ble Member has only promised to consider the question. He has not promised definitely to create a sinking

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fund, and it is just possible that he may not create it after all, in which case I should certainly like to enter my protest against this particular allotment of 75 lakhs. Sir, as I pointed out yesterday, for the next year, with this allotment of 75 lakhs, the total sum devoted to the reduction of debt will amount to 2 crores, and in addition to that, whatever surplus you may get under Opium, whether it be 2 crores or 3 or 4, will probably be devoted to the reduction of debt. Now, Sir, as regards the amount allotted under Railways to capital redemption, that is laid down by Statute. The annuities have to be paid in accordance with a Parliamentary Statute, and therefore it is not possible to touch them, though we may take them into account for finding out how much money is being devoted to the extinguishing of debt. But this amount of 75 lakhs is entirely in the discretion of the Government of India, and by the Government of India I mean the Government of India with the sanction of the Secretary of State. Last year, in dealing with this question, I gave a brief history of this Famine Insurance Fund. I pointed out then that when this fund was created in the seventies—towards the end of the seventies—it was calculated by the Government of Lord Lytton that, taking a period of about 10 years, the Government of India might reasonably be called upon to meet a famine expenditure of about 15 crores of rupees, or a crore and a half every year. That amount was based on a consideration of what the Government had spent and what the Government had lost in the famine of 1874 in Bengal and the famines of 1876 to 1878 that ravaged Madras, Bombay and other parts of India. This was sanctioned by the Secretary of State, and special taxes imposed to provide an annual margin of a crore and a half for this purpose. Later on it came to be laid down that half of this grant should be devoted to protective works—railways and irrigation. Of course the first claim on the money is that of actual Famine Relief; but when there is no famine, as there is none this year, and I hope there will be none next year, half is devoted to protective works—at one time both railways and irrigation and now only irrigation—and the other half is devoted to a reduction or avoidance of debt. Now, in view of the fact that our unproductive debt is extremely small, and there is another provision made for reducing the debt, I think this grant ought to be made available to the people of this country for other purposes. I would like, for instance, this to be applied to the improvement of the agricultural classes, the classes that suffer most from famine, so that it will not be diverted from the real main object for which it was created, namely, to enable these to better resist the attacks of famine. Famine relief is a direct form of giving relief, and must, of course, have precedence; but protective railways and irrigation are only an indirect form, and they need not be the only indirect form; there are other indirect forms which might do as well. If, for instance, you give agricultural education to the agriculturists, if you help them to acquire industrial education, if small industrial occupations are promoted—in these and various other ways you can enable the agriculturists to better resist and tide over the effects of a famine. My proposal, therefore, is that this grant of 75 lakhs should be abolished altogether, and the money thus set free be devoted to some object which will improve the conditions of the agriculturists and enable them to resist famine.

“If, however, the Government are unwilling to do this, I urge that the grant should at least be suspended till the Government find it necessary to borrow again for meeting famine expenditure. Lord Lytton's Government expected that every ten years they would have to borrow, in the absence of some special provision, such as they proceeded to make, a sum not exceeding 15 crores. This was, of course, a rough calculation. Now, during the last 10 or 12 years we have had several severe famines; but even after finding all the expenditure required for the famines, the Government have realized surpluses exceeding 20 millions, and they would have had large surpluses even if the famine grant had not existed. Therefore, there is no occasion now for a special grant in this connection, and no special provision should be made till the Government find it necessary to borrow again. I therefore beg to move this resolution.”

The Hon'ble Mr. MUDHOLKAR : " Sir, I wish to support this resolution, and in doing so would advance some considerations other than those put forth by the Hon'ble Mr. Gokhale. The Famine Insurance Fund was created for the purpose of saving the lives of people. Famines, it was recognised, were things which must be regarded as occurring periodically in India, and it was considered necessary to have a fund which would obviate the necessity of raising large loans whenever a famine came. It was estimated that about a crore and a half would be required to be provided every year on the scale that during 10 years something like 15 crores would be required for actual famine expenditure and for minimising their visitations. The Famine Insurance Fund had a chequered life and its application varied at different times. On several occasions it was suspended, and almost immediately after it was created, for nearly four years, it was applied for purposes of war and for other objects of general administration. In recent times, however, it has been practically settled that in those years in which there is famine the money is to be applied primarily towards famine relief, and in other years half of it should be set aside for protective works and half—seventy-five lakhs—for the reduction of debt. Now, this is a policy which, if there had been no other disturbing factors, I for one would certainly have unreservedly accepted as a sound policy. But subsequent to 1878 developments have taken place—new scourges, devastating epidemics and diseases have appeared which require a reconsideration of the policy which was laid down some years ago. We had no plague in 1878 or even in 1890, but now we have plague, malarial fevers and other epidemic diseases. What we have to face is that whereas the population in the decade which ended with 1891 had increased by 22 millions or nearly 1·13 per cent., in the subsequent decade ending with 1901 it increased by only 12 millions or by less than 5 per cent. In certain provinces there was an actual decrease of population. In the Guzarat and in the Deccan and Kanarese portions of the Mahratta race of the Bombay Presidency, there was a decrease of nearly 4½ per cent. In Ajmere-Merwara there was a decrease of 15 per cent; in Berar there was a decrease of 5 per cent; in the Central Provinces there was a decrease of 8·4 per cent. Thus, instead of a normal growth of population, we find that the population has actually gone down in several provinces. In the years which have elapsed between 1899 and 1909, in these ten years we find that nearly 5½ millions have died from plague alone. These are the recorded deaths. There are probably several cases of unrecorded plague deaths. The situation, I submit to the Council, is one which is very grave and which requires the most serious attention of the Government. Just as in the case of famine, it was considered necessary to apply large funds to the saving of human life, here has arisen an occasion when large funds are also required for saving human lives from epidemics. The question is one which depends mainly with the Imperial Government. Last year, when in regard to general sanitation in the Central Provinces and Berar I brought forward a resolution, the official representative pointed out to me what was being done and how all that the Local Government was in a position to do was done by the Administration. Well, the Hon'ble Mr. Phillips pointed out that in that year and in the year preceding they had been receiving from Rs. 2,10,000 to Rs. 2,28,000. In the years immediately preceding, however, we had only Rs. 6,000, Rs. 9,000 and Rs. 13,000, all set down as given for purposes of sanitation. The Hon'ble Mr. Meston, on behalf of Government, said that the Central Provinces were unable to carry out the necessary sanitary reforms, because the Administration was in a condition approaching bankruptcy. Well, this is a question which has to be considered in all its seriousness. The case of the Central Provinces is typical of the other provinces. If the population is not only not increasing in its normal ratio but is actually going down, then it behoves Government to take vigorous steps for combating these scourges which have appeared. The difficulty which is found in regard to plague is that large sums are required for the purposes of affording relief to people to go out and for spreading inoculation. Last year we were told by the great medical authority that we have in this Council that the plague is a rat disease. Well, I am not entitled to call into question the correctness of such an authoritative

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statement. What in practice we find is that inoculation affords considerable immunity and evacuation also goes a great way to save human life. But these things require money, and neither the local bodies nor the Local Governments are in a position to meet the large expenditure required for giving help to people, to enable them to go and live for months in the jungles. In regard also to malaria several measures have been recommended. The Local Governments there also find that they cannot at all give effect to the measures recommended because there is dearth of money. I therefore appeal to the Government and to this Council to consider whether it is not more necessary to save human life than to have what is called conservative finance and to have a reputation for high credit. Sound finance is certainly necessary; but I would submit to Government, who occupies the position of *pater familias* in this family of India, that the credit of the family, the financial position of the family, is a matter of secondary importance to saving the lives of the members of the family. I consider that more than the payment of debts, more than obtaining a reputation for being punctual in the discharge of your obligations, it is necessary to preserve the lives of the people.

"It might be said that the Famine Insurance Fund is one which is intended only for the purposes of famine. Well, Sir, as Mr. Gokhale pointed out last year, and has been pointed out over and over again in this Council on other occasions, it is not at all rare for the Famine Insurance Fund to be diverted to other purposes than that for which it was created. On no less than five different occasions was it suspended and the suspension extended sometimes to over two years, sometimes to over three years, and was at times in whole and at times in part. So the diversion of the Famine Insurance Fund to other purposes is a thing not unprecedented. Well, after all it rests on Government to take the large and humane view of the subject and to decide whether it is not a proper one in the circumstances which have arisen. Sir, when we find that in certain places, for instance, like Nagpur, the headquarters of a province, the plague almost carries away at one visitation one man in every 10, when also in other places a regular decimation is going on, is it not necessary for Government to step in and to take the requisite steps for saving human life?"

"I therefore make an appeal to all Members of this Council and to the Government here in India and in England and call upon them to see whether it is not required by the present circumstances of the country that the portion of the Famine Insurance Grant which is generally devoted to the payment of debt should not, in the peculiarly unfortunate circumstances which have arisen, be preferably applied to the saving of human life."

The Hon'ble Mr. MESTON: "The Hon'ble Mover's motion is really an echo of yesterday's discussion on the subject of the sinking funds. The Hon'ble Mr. Gokhale tells us again that we use our current revenues far too much for the purpose of capital expenditure, and that we might very well allow our debt to advance a little more rapidly and put our revenues more largely into the immediate requirements of the country. The question has been threshed out so often that I hope the Hon'ble Member will not accuse me of discourtesy if I say that he has given us nothing new on the subject, and I honestly confess that we in the Finance Department likewise have nothing new to say on the subject, so that I am afraid we must remain mutually unconvinced."

"The Hon'ble Mr. Mudholkar in supporting the resolution has hinted that high finance and ordinary humanity are not reconcilable. I trust that in the Budget which is now before the Council there is nothing to justify that unhappy view."

"The particular form in which the Hon'ble Mr. Gokhale has put his motion to-day calls for only a very few words of explanation, which I shall try to make as short as possible. For the broad purposes of his argument the Hon'ble gentleman groups together not only the Famine Grant but all the other moneys which in any way whatsoever we divert from revenue for capital purposes or transfer from revenue into our cash balances where they become in time avail-

able for such purposes. For the purposes of his argument this is quite justifiable, and it certainly substantiates the claim for the enquiry which the Hon'ble Finance Member undertook to conduct into the possibility of having greater system in our sinking fund methods.

"What Mr. Gokhale urges upon us, however, is the removal from our accounts of the only item which is ear-marked as being utilised for the avoidance or reduction of debt. Now I wish to submit to the Council that this would be a mistake unless it is undertaken as part of a larger measure for the definition of our duties in the way of avoiding or reducing our unproductive debt. I must admit that, in looking through the history of our Famine Grant and the constant misrepresentations and misconceptions which surrounded it and the complexity of accounts which it involves, one is often tempted to wish that it were possible to throw the whole thing overboard, to close this complicated system and to deal with famine debts and famine charges in the same way as we deal with other debts or charges. I am afraid, however, that any such proposal would cause enormous misconception both in India and in England, and I hardly think the ends to be served would be worth the storm that would be aroused. That being so, is it not wiser to keep the Famine Grant as a thing distinct by itself? Sanctioned now by long experience, it has been an integral part of our financial system for the last third of a century, and it is ear-marked for plain and well-defined purposes. We might, I think, keep our reforming zeal for the systematizing of the other methods by which our unproductive debt is to be reduced.

"There is in the actual figures, Sir, another argument against interfering even temporarily with the 75 lakhs which in good years we put away from the Famine Grant for the avoidance of debt. That argument is that if you reduced your Famine Grant by one-half, as this proposal implies, it would unfortunately cease to be equal to the strain that is thrown upon it. We used to keep an account of the uses to which the Famine Grant was put. A few years ago that account was no longer made up as it used to be. In the discussion of the Financial Statement of last year, as far as I remember, the Hon'ble Mover of this motion brought it up to date, and I think the results he arrived at coincided very closely with those we have now come to. He showed that if the Famine Grant had been funded from the year of its first inception in 1878 by the payment of a million sterling every year into the Fund, the balance now in hand, after paying for actual famine relief and for the cost of protective works, would be about 4½ million sterling. In reality it is considerably less; because the later developments of famine policy tend to throw a larger share of famine charges on to the ordinary expenditure. For instance, the famine policy, which was so successfully worked by the Hon'ble Mr. Craddock in the Central Provinces last year, had the effect of transferring expenditure from famine works proper to an expansion of the programme of ordinary works, and to that extent it threw upon the ordinary Budget of the province expenditure which was really of a famine character. In the same way the losses on famine loans and the losses on *takkavi* which was given on such a large scale in the United Provinces never appear in our famine accounts at all. So that in reality the balance in our Famine Grant would be considerably short of 4½ millions, and that would be the whole of the amount in these last 33 years which we have transferred from our Famine Fund or Famine Grant, whatever you like to call it, to the reduction of debt. If you take the figures of the last ten years, the result is still more striking. In the last ten years the Famine Grant would, by hypothesis, amount to 10 millions. In these ten years the actual expenditure on famine relief has been 7.1 millions and on protective works 2.8 millions, or a total of 9.9 millions, or within a decimal point of our total credit. If we had not been able to draw upon our 75 lakhs, or, if the Hon'ble Member prefers to put it in this way, if we had suspended it in the last ten years, our Famine Grant accounts would have shown an actual deficit. I submit that the Famine Grant is an institution which we might well let alone. It is a healthy tree which we have nourished with much care and sacrifice, and I trust the Hon'ble Member will not ask us to cut it down for some new plantation. Possibly the next generation will be grateful to sit under its shade."

[5TH MARCH 1911.]

[Mr. Gokhale.]

The Hon'ble MR. GOKHALE: "It is quite true, Sir, that neither the Finance Department nor myself have anything new to say on the subject. It is also true that for the moment the Hon'ble Member is unconvinced by what I have said, just as I am unconvinced by him; but I am in hopes that, if he is unconvinced this year, he will show himself more responsive next year or the year after. I find some comfort in the thought that a similar experience has come to the Finance Department in other matters in previous years.

"There is one portion of the reply of the Hon'ble Mr. Meston to which I would like to refer, and that is the concluding portion. The Hon'ble Member says that if we took the last 10 years, it would be found that the actual Famine Grant of a million a year was practically exhausted in famine relief and protective works, and that if my proposal had been adopted 10 years ago and if the Famine Grant had not been available, Government would have had to show a loss account in connection with famines. Now, Sir, this is really ignoring the whole spirit of the creation of the Famine Grant. When the Famine Grant was created more than 80 years ago by Lord Lytton's Government, there were no large, ordinary surpluses accruing to the revenues of the country to take into account. Sir John Strachey, the Finance Minister, who created the fund, took into account all possibilities of the ordinary revenue, and came to the conclusion that the Government could not provide out of that revenue this margin for famine expenditure, and therefore the Government of that time imposed extra taxation in order to have this margin. But now, when you have a large margin in your ordinary accounts, I do not see what is the special object of maintaining a separate account of this Famine Grant and then saying that famine expenditure is met out of this grant. My point is this: during the past 10 or 12 years, which the Hon'ble Member has taken, you have met the whole of your famine expenditure out of this Famine Grant, and you have had besides 28 millions or somewhere thereabout as the total of surpluses realized. If this Famine Grant had been abolished and the annual revenue reduced by its amount, even then you would have had large surpluses, the total being between 15 and 20 millions, instead of being between 20 and 25 millions. Well, Lord Lytton's Government never had such surpluses, and if they had thought that the ordinary revenues would provide such surpluses, they would never have created this Insurance Grant. I, therefore, venture to think there is not much force in the concluding portion of the Hon'ble Member's reply."

The resolution was put and rejected.

PROTECTIVE IRRIGATION.

The Hon'ble MR. GOKHALE: "I beg to move the next resolution which stands in my name. It is this:

'That this Council recommends that the allotment of seventy-five lakhs of rupees under Famine Relief and Insurance, which is proposed to be devoted to Reduction or Avoidance of Debt, be transferred to Protective Irrigation.'

"I move this resolution on the ground that any expenditure on some useful object is better in present circumstances than this eternal reduction of a small and vanishing debt. I would like to have these 75 lakhs, if possible, available for objects like education, sanitation and medical relief; but if that is not possible, I should prefer that the amount should be spent on protective irrigation works. The Irrigation Commission's Report shows that there is plenty of room for protective irrigation in the country. They contemplate in 20 years' time a total expenditure on works, which they call intermediate, and those which they call unproductive, of about 28 crores. There is thus plenty of room for expenditure on protective works, and rather than that this sum should go to the reduction of debt, I propose that it should be devoted to protective irrigation."

[Sir Guy Fleetwood Wilson; Mr. Subba Rao.] [8TH MARCH 1911.]

The Hon'ble SIR GUY FLEETWOOD WILSON: "I do not propose to answer the Hon'ble Member at any length. The proposal that the money should be transferred from Famine Relief and Insurance to Protective Works is a perfectly reasonable one from his standpoint. But I think one objection alone prevents my entertaining his proposal, and it is this: we have given the very large addition of 18 lakhs to protective works this year, and I think that this amount is probably as much as they can profitably spend. There is nothing so wasteful as pouring money into a service when it will not be able to grapple with it satisfactorily for the time being, and therefore I do not feel that I am able to accept the resolution of the Hon'ble Member."

The resolution was put and rejected.

ACCOUNT AND AUDIT.

The Hon'ble MR. SUBBA RAO: "My resolution* relates to the second entry under the head of General Administration relating to Offices of Account and Audit. In the current year's Budget the amount put down against this entry is Rs. 29,24,000 and the revised estimate is Rs. 29,62,000, and the Budget estimate for next year is Rs. 40,85,000. This is a large increase, which is explained in the Financial Statement, due to the amalgamation of the two offices of Account and Audit, i.e., the Civil Branch and the Public Works Branch. The entire charges of the two branches will be shown hereafter under one head. But I should like to enquire whether by the amalgamation of these two branches a saving is not possible. I submit that a good sum of money might be saved by these two branches having been amalgamated. You have now a Deputy Accountant General for the Civil Accounts and a Deputy Accountant General for the Public Works Accounts; similarly you have Assistant Accountants General, Examiners, etc., in each branch. There is a duplication of officers doing the same kind of work. When they are all brought together under one Department, I think it would be possible to have substantial savings effected by the amalgamation. That is one point which I wish to raise in connection with this entry.

"The second point I wish to raise is that the recent promotion which has been given to Honorary Examiners in the Public Works Branch—they are now given the rank of Chief Accountants—has resulted in an increase in their pay. Formerly, they were drawing a monthly pay of Rs. 350 rising to Rs. 450. Now they draw from Rs. 450 to Rs. 750, in two grades. All being Chief Accountants, they do the work of officers. Already we have about 70 officers in that branch and nearly 12 Chief Accountants have been added to the list of officers. The question is whether the number of officers could not be reduced.

"Then there is a third point to which I should like to draw the attention of the Council. I have no doubt that the Hon'ble the Finance Member is enforcing economy by employing Indians more largely in his Department. I may say I have given some attention to the question of the public service. Of all the Departments under the Government, this Department under the Finance Minister, it appears to me, is most satisfactory. The conditions of recruitment for Indians and Europeans here are fair; there is more comradeship among the officers of this Department than in any other Department under Government. I am aware that the Hon'ble the Finance Minister is trying to enforce economy by a larger employment of Indians, and I shall be very pleased to be informed of the steps which the Hon'ble Member is taking in that direction. I may express my satisfaction all the same with the way in which this Department is kept up and the way in which Indians and Europeans are entertained. These are the remarks which I wish to offer on this resolution."

* That this Council recommends to the Governor General in Council that the expenditure under the head of offices of Account and Audit be reduced by two lakhs.

[8TH MARCH 1911.] [Sir Guy Fleetwood Wilson.]

The Hon'ble SIR GUY FLEETWOOD WILSON: "I will take first the point about the cadre which the Hon'ble Member has raised because it is a technical point and it will not interest the Council quite so much as it does him and me—the question of the Public Works Accountant cadre. I may say that the Hon'ble Member, with that courtesy which always characterises him when he is dealing with me and others, told me what his point was. It was a very technical point of internal economy, and I asked the Comptroller General to furnish me with a Memorandum, thinking that the Hon'ble Member would prefer to have first hand information on the subject. With your permission, Sir, and with the permission of the Council I should like to read the Memorandum of the Comptroller and Auditor General:

'One-third of the vacancies in the cadre of Public Works Accounts officers used to be filled by promotion of accountants. This proportion was cut down to ¼th as a maximum, and as a *quid pro quo* 13 chief accountants were created, a corresponding reduction being made in the number of accountants.

'Chief accountants are gazetted officers, and the meaning of the Hon'ble Mr. Subba Rao may be that the number of officers has been increased without any increase in the work to be done by them. I would explain, however, in the first place that before the creation of these chief accountants there was a system of giving the best accountants honorary gazetted rank, and as a matter of fact, of the 13 men selected for the new posts, 11 to my knowledge already held gazetted rank. There was no reason therefore why they should not have been employed on gazetted officers' work even before the change, which from this point of view may be described as mainly one of nomenclature, and nothing was said in the orders creating the new class of appointments about a change in the character of the work to be performed by the men appointed to them. Some such change it is true is likely to occur gradually as the result of the grant of substantive instead of honorary gazetted rank. But this change would necessarily be accompanied by a redistribution of the duties of supervision between the gazetted officers and the senior men in the subordinate ranks. If Mr. Subba Rao means that the gazetted staff have made use of the new appointments to relieve themselves at the expense of a subordinate establishment which with reduced numbers is still called upon to perform the same amount of work as before, I believe the fact is otherwise. The practice indeed has differed. As a matter of fact, in making postings we consider the number of senior accountants in an office and do not discriminate between chief accountants and accountants of the first or second grade.

'If Mr. Subba Rao wishes, I should gladly see him and endeavour to make the position clear to him if the Finance Minister approves of my doing so.'

"I need hardly say that I have not the slightest objection to the Hon'ble Member placing himself in communication with Mr. Gillan.

"I now take separately the point which my Hon'ble friend raised in regard to the economy which might be effected by centralising the work in the office and avoiding duplication which has taken place in the past.

"I think that to a great extent I am in agreement with him, but I must point out that the amalgamation has only just taken place,—it is indeed barely complete,—and that it is impossible to effect these improvements which he indicates and at the same time safeguard what I may call vested interests, at the inception of an amalgamation. I am sure he would not wish wholesale dismissals to occur.

"Time is required and time we have not yet had.

"I think my Hon'ble friend has also made a point that work which was previously done by an inferior, less paid, class is now being entrusted to a superior and better paid class. In regard to that I may tell him quite candidly that I think a good deal of the audit work in the past has not been as efficiently carried out as is desirable, and I think it will perhaps be necessary to use better material to produce better results. But I can assure the Hon'ble Member that his anxiety to run the Department as economically as is consistent with good work is entirely shared by those responsible for it.

"The question of the more extended use of indigenous agency in the public service—I congratulate my Hon'ble friend on that particular egg being at last hatched, and I am also very much obliged to him for giving me an opportunity to state what is being done in that respect in the Departments which I control—the question of the extended use of indigenous agency in the public service was dealt with at some length in this Council on the 25th January both by the Hon'ble Mr. Gokhale and by myself.

"On that occasion I remarked that, although my personal sympathies in regard to the larger employment of Indians in the public service of the Crown could not come under review in this Council, yet as Finance Member it was permissible for me to say that, from the economic standpoint, it seemed to be for consideration whether we might not make greater use than at present of the undoubted abilities of the educated Indian.

"Other Members of Government will no doubt reply in regard to their own administrations, but I may now add to what I said on the 25th January that the policy of the Department of which I have the honour to be the head is in accord with my own feelings:

"The policy of the Finance Department, a policy steadily pursued and recently much developed, is a policy of increasing Indian recruitment.

"The Accounts Department is a large, important and growing service. In the Accounts Department we have done a great deal in the direction I have indicated, and we are gradually working to a half and half division between the two races of the superior and gazetted service.

"An Accountant Generalship is a prize appointment, and Indian members of the Accounts Department are equally eligible with Europeans. Several Indians have filled the position of Accountant General, either temporarily or permanently, and at the present moment an Indian, Mr. Wagle, is Accountant General of the United Provinces.

"In the Civil Accounts Department or old Enrolled List as at present constituted, the proportions are as follows:—

	Europeans and members of the domiciled community.	Indians.
Comptroller, India Treasuries, and other senior posts	5	3
Ordinary posts	29	21
Probationers	5	2

"The proportion in the List of the officers of the other Accounts Departments, which have only recently come under me, is not so favourable; but special recruitment for these Departments, which have only just become a portion of the Finance Department, has now ceased as the result of the amalgamation with the old Enrolled List. The proportion of Indians to Europeans will, therefore, as time goes on, become greater.

"But it is in our Secretariat and Headquarters establishment that our policy is especially noticeable.

"The Deputy Comptroller General is an Indian officer of eminence on whom the well-deserved honour of a C.I.E. was recently conferred.

"The very important appointment of Comptroller of India Treasuries is held by a Bengali.

"Notwithstanding the excellent European material available, it was to Mr. Dutta, an Indian, that the enquiry into the rise of prices was entrusted—an enquiry of consummate interest and of the first importance.

"Finally, in the Secretariat, that holiest of the holies, I have quite recently selected an Indian, a man of exceptional qualities, for the high post of Assistant Secretary to Government. I mean I submitted his name to His Excellency and it has been accepted. It is the first time, I think, that an Indian has held such an appointment.

"This is a record on which we have reason, I think, to congratulate ourselves; and I have only to add that, since I have been in India, in every instance in which an Indian has been selected, the appointment has been made, often at the instance of, and invariably with the cordial acquiescence of, the Secretary to Government in the Finance Department, the Hon'ble Mr. Meston."

[8TH MARCH 1911.] [Mr. Subba Rao ; Mr. Earle.]

The Hon'ble MR. SUBBA RAO : " After what has fallen from the Hon'ble the Finance Minister, I beg to withdraw the resolution."

The resolution was withdrawn.

REGISTRATION, GENERAL ADMINISTRATION, COURTS OF LAW,
JAILS, POLICE, MEDICAL.

The Hon'ble MR. EARLE : " Sir, I do not propose to take up much of the time of the Council. The budget heads which I am called upon to introduce are Registration, General Administration, Courts of Law, Jails, Police, and Medical. Inasmuch as a very lucid account of the figures relating to these heads is given in the Memorandum explaining the details of the estimates, I do not propose to waste the time of the Council by making any detailed remarks.

" The Council will observe that under the head of General Administration—Imperial—provision has been made for a net expenditure of Rs. 98 lakhs by the Imperial Government in connection with the visit to India of His Majesty the King-Emperor and the Coronation Durbar at Delhi, and for an outlay of 2 lakhs on account of the latter ceremony by the Administrations of the North-West Frontier Province and Baluchistan. Increases are also observable in connection with the formation of the new Education Department with a new Member. The net cost of the new Department including the Member's pay is Rs. 1,42,000. On the other hand, the cost of the enlarged Legislative Council has been less than was anticipated ; the budget for 1911-1912 showing Rs. 1.52 lakhs as against Rs. 2.01 lakhs budgeted for 1910-1911. Under the same head—Provincial—the Council will observe that provision is made for an expenditure of Rs. 14.89 lakhs for provincial camps and provincial guests in connection with the Coronation Durbar at Delhi. Provision has also been made for charges for the Executive Council in Bengal for a full year. These amount to Rs. 2 lakhs. As against the outlay of .71 lakh on the removal of the offices from Shillong to Dacca, savings are expected on hill allowances and contingent charges.

" Under the head of Law and Justice—Provincial—the Council will observe that the payment of fees to lawyers in connection with the prosecution of special crime accounts for increases in the revised budget for 1910-1911 of Rs. 7.81 lakhs in Bengal, and of something like Rs. 1½ lakhs in both Eastern Bengal and Assam and Bombay. Happily large decreases in respect of such expenditure are anticipated in the year 1911-1912, namely, Rs. 5.17 lakhs in Bengal and Rs. 1.11 lakhs in Bombay.

" Under the head of Police—Provincial—there will be a large increase of over Rs. 42.08 lakhs in connection with the furtherance of reforms, and in Eastern Bengal and Assam in particular Rs. 2.50 lakhs and Rs. 2.75 lakhs will be spent on schemes for the strengthening of the subordinate police and the organization of the river police, respectively, both of which are urgently required. The Council will observe that municipalities in Ajmer-Merwara, Baluchistan and the North-West Frontier Province and in the Punjab are being relieved of all police charges with effect from 1911-1912.

" Under the head of Medical—Provincial—the budget for 1911-1912 shows that special provision has been made in Bengal for the improvement of the prospects of Civil Assistant Surgeons and in the United Provinces and Eastern Bengal and Assam for the improvement of the prospects of Sub-Assistant Surgeons. In the United Provinces also a special provision of .44 lakh has been made for the Medical College, Lucknow, which will, if possible, be opened in October 1911. It will be remembered that His Majesty the King-Emperor laid the foundation-stone of this college on the occasion of his last visit to India. In Bengal provision has been made for a new Chair of Anatomy to be held by an Indian. I have no further remarks to make in regard to these heads."

[Mr. Sachchidananda Sinha; Lieutenant Malik Umar Hayat Khan; Mr. Earle.] [8TH MARCH 1911.]

LIBRARY FOR COUNCIL CHAMBER.

The Hon'ble MR. SACHCHIDANANDA SINHA: "I rise, Sir, to move the resolution standing in my name: 'That this Council recommends that a library well equipped with official literature and works bearing on public affairs should be attached to the Council Chamber.' I may first of all explain, Sir, in view of some misapprehension on the part of the Maharaja Bahadur of Burdwan, that I do not necessarily mean by the Council Chamber this very room, but anywhere, in the Government Secretariat close to the Additional Members' room. Now, Sir, I shall say a few words in support of this resolution. Since yesterday there has been in this Council what examiners in this country call a 'massacre of the innocents', and of all the resolutions submitted to the Council so far, not one has been accepted by the Government. I trust that this resolution of mine, which is a very simple and innocuous one, will find favour with my Hon'ble friend Mr. Earle. I put this resolution before this Council on the strength of an item in the Financial Statement that out of two lakhs and one thousand budgetted for the expenses of the Council in the current year, the revised figures show that only one lakh and thirty-six thousand has been spent and that there is a saving this year of Rs. 65,000. This saving cannot be more usefully employed than in furnishing us with a library well supplied with official literature and works on public affairs. Had I been light-minded, I might have asked, for instance, that this money might be spent on restoring to us the privilege of having the red-robed chaprasis, a privilege which was taken away from us last year by some cheese-paringly economical officials. I beg to assure the Council that some of us attach considerable value to the great privilege of being followed by a red-coated minion, especially with an open umbrella to protect us from the sun. Or I might have gone further and asked for free lunches to be supplied to Members of this Council, who now have to go outside for lunch. But being, as I flatter myself, quite a serious-minded Member, I have asked for a thing which will be useful to all my colleagues who may want to do their work properly in this Council. I am fortified in pressing my demand by the fact that *even* my esteemed friend the Malik Sahib has promised to give me his support, and this in itself speaks volumes in favour of my resolution. Speaking seriously, Sir, I think that all the non-official Members of this Council will bear with me when I say that we have felt that we have been at a very considerable disadvantage, in putting forward our case before our official colleagues, for want of a library. I think there is some library here called the Imperial Records, but I do not know where it is and I do not think it is quite easy to obtain access to the books there. The official Members of this Council, apart from the fact that they have great experience of the Departments under their control, have this advantage over us that they are in possession of all the records, papers and documents bearing on any particular question, and it is therefore so easy for them to checkmate us. I, therefore, plead for only a fair field and no favour, when I ask that we should be given facilities to an equal extent with our official colleagues. I do not wish to take up the time of the Council any more, and with these words I move the resolution."

The Hon'ble LIEUTENANT MALIK UMAR HAYAT KHAN: "Sir, I heartily support my Hon'ble friend, because a well equipped library is a good thing and would be of use to all of us. And I hope that before anybody else gets up to speak on the subject, Government will accept this resolution."

The Hon'ble MR. EARLE: "Sir, when I first saw this resolution, I thought that it referred to the institution of a library attached to this Council Chamber. As regards that matter, I am authorised to say that there is no room in Government House for the purpose. The Government of India, however, have under consideration the question of constructing a separate Council Chamber which would be worthy of the Imperial Council. That proposal will, I hope, be developed in the course of the year, and, if it comes to fruition, the Hon'ble Member's suggestion for having a well-equipped library will receive the fullest

[8TH MARCH 1911.] [Mr. Earle; Mr. Sachchidananda Sinha; Sir Guy
Fleetwood Wilson; Mr. Carlyle.]

consideration, such as it certainly deserves. For the present, the Additional Members have a room in the Secretariat; but the Hon'ble Mr. Sinha has made no reference to that room. Perhaps he thinks it entirely unworthy. Perhaps it is so, but while we are making preparations for the future library, to which I have referred, we shall be very glad of suggestions for improving the existing library attached to the Members' room. I think that what I have said will meet the wishes of the Hon'ble Member. We are quite willing to improve the existing room, and we shall, as soon as possible, provide a really satisfactory library attached to the new Council Chamber."

The Hon'ble MR. SACHCHIDANANDA SINHA: Sir, in view of what has fallen from Mr. Earle, I shall certainly withdraw my resolution and not press it to a division. I should just like to say one word as to the charge brought against me. I certainly think I was guilty of not thanking the Law Member for placing another room at our disposal. Last year we had a room, Sir, in the third storey of the garret in the Imperial buildings, and some of us who have not a light figure had great difficulty in going up there. I am grateful to the Law Member for having brought us down to his own level this year."

The Hon'ble SIR GUY FLEETWOOD WILSON: "I did."

The Hon'ble MR. SACHCHIDANANDA SINHA: "You did? I withdraw my expression of gratefulness to the Law Member and transfer it to the Finance Member. We have got a room, with a small collection of books, but it is not a library such as the one for which I am pleading. I think if that room be improved in the meantime until we can have a grand and suitable library, it will suit our purpose equally well. I therefore withdraw my resolution."

The resolution was withdrawn.

POLICE (NORTH-WEST FRONTIER PROVINCE).

The Hon'ble MR. SACHCHIDANANDA SINHA: "Sir, in regard to the resolution* which stands in my name, I shall beg leave of you to withdraw it; but I shall state my reasons for withdrawing it. I frankly state that my object in bringing this resolution was to draw pointed attention to the state of affairs in the North-West Frontier Province which, in my opinion, requires the vigilant care of the Government of India. The province has no Council of its own in which the matter can be brought forward. In view of the rules, I do not think I can give them such a satisfactory turn as to bring it under discussion in Council to-day, and therefore I do not want to go against the rulings on that point. I shall move the resolution as a general resolution hereafter and so withdraw it."

The resolution was withdrawn.

IRRIGATION, LAND-REVENUE, ETC.

The Hon'ble MR. CARLYLE: "With regard to Irrigation all I want to say is that I have got from the Finance Department every penny I asked for, and I have asked for every penny that I thought could possibly be spent on the work that has really been sanctioned.

"So far as Land-revenue, Provincial Rates and Famine Relief are concerned, I do not think I need add anything to what appears in the second part of the Financial Statement.

"As regards the Forest-revenue, the high-water mark, so far as revenue was concerned, was reached in 1905-1906, and since then there was a fall mainly due to the introduction of a change in the system of working forests in Burma, departmental work being very much curtailed. Since then, however, there are signs of Forest-revenue increasing again and a normal annual increase may soon be expected. But I hope, however, that we are on the eve of something more than a normal increase. Very promising experiments have been made in connection with the preparation of wood pulp for the manufacture of paper, and if these experiments are as successful as we have some

* That this Council recommends that the expenditure on Police in the North-West Frontier Province be reduced by Rs. 10,000.

[Mr. Carlyle; Mr. Gokhale; Mr. Madge.] [8TH MARCH 1911.]

reason to expect, the greatest step in advance will be made in the history of the Forest Department in this country since it first started.

"As regards Agriculture, I will only say one word, and that is that I would ask all Members of this Council to read at all events the introductory portion of the Report on the Progress of Agriculture in India for 1909-1910. It will show the very important and practical researches that are going on both at Pusa and in the provinces."

SCIENTIFIC DEPARTMENTS.

The Hon'ble MR. GOKHALE: "Sir, I beg to move that this Council recommends that the expenditure on Scientific and other Minor Departments be reduced by Rs. 50,000.

"Sir, this large head of Scientific and Minor Departments contains a number of smaller sub-heads, and while I move this resolution in the general terms put down here, I may state at the outset that as regards the work of many of the sub-heads, I have nothing but appreciation and I have no question to raise. I want to draw attention to the growth of charges and certain other circumstances connected with two of the sub-heads—the Survey of India and the Geological Survey. I find, Sir, that the expenditure on the Survey of India has been rising very rapidly. It was checked when the finances encountered those difficulties which resulted in a deficit; but then they are going up again. I find, taking the figures for the last 5 or 6 years, that the charges for the Survey of India, which were about 17·8 lakhs in 1905-1906, rose in four years; that is, in 1909-1910, to 28·6 lakhs. It was an increase of nearly 11 lakhs or about 60 per cent. in four years. Then there was a fall; a fall due, I believe, to the deficit and the brake put on by the Finance Department in consequence. But that was only temporary, and with easier finances the tendency for the charges to go up again has reappeared. The charges, which, in 1909-1910, were 28·58 lakhs, have fallen during the current year to 28·16 lakhs, which is the revised estimate figure; but in the next year's budget provision has again been made for 28·86 lakhs. This is a higher figure than the highest ever reached by the charges at any time during the last 10 years. I want these charges to be kept down, and that is one of the reasons why I moved this resolution.

"Then about the Geological Department. Here also the charges have been growing. They grew rapidly for three years from 1905-1906 onwards, and then there was a fall, and now again there is a tendency for the charges to rise. In 1905-1906, the charges were 2½ lakhs. In three years they rose, that is, in 1908-1909, to 3·7 lakhs—an increase of over a lakh or 48 per cent. in 3 years. Then the financial difficulties brought about a fall and the fall was satisfactory. It was from Rs. 3,64,000 to Rs. 3,12,000. This year the revised estimate is 3·17 lakhs. All this shows that when there are financial difficulties, this Department can reduce its charges. In next year's budget, however, the figure again rises to 3·49 lakhs, and no satisfactory explanation is forthcoming about the necessity of this increase. I therefore move the reduction mentioned in the resolution.

"Then, Sir, I find that in the Survey of India there are 57 appointments with salaries between Rs. 500 a month and Rs. 3,000 a month, and there is not a single Indian among them. In the Geological Survey and Museum there are 21 appointments with salaries between Rs. 500 and Rs. 2,000 rupees a month, out of which only two are held by Indians. And I would like to ask the Member in charge of the Department if he cannot, in the course of next year, in filling up any vacancies that may arise, find room for some Indians, so that, even if he is not able to effect a saving in salaries, he might save at least something in exchange compensation allowance."

The Hon'ble MR. MADGE: "Sir, I should just like to make a few remarks and to say that I cannot approve of this resolution; and as regards the Survey Department I merely wish to say that it is generally understood in public—and I say so because I have received some private information about it—that, in consequence of the reorganisation of the Department, the Government is at present engaged in trying to so readjust matters as to remove all the

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real grievances of the Department; and, if that is the case, I do not see how it can be done without a considerable improvement in the salaries. The Government resolution that was published on the subject showed that the grievances of the Department had solid grounds, and it is in trying to remove these grievances that the charges must be raised. At least that is how I understand the matter.

"But as regards the other heads, the Geological Survey, the Inspector of Mines, the Meteorological Survey, and the Forest and Agricultural Institutes, every one of these Departments is concerned in making investigations into those matters on which the industrial development of the country largely depends. I think it is a proof of the great improvement of recent years that the Government is now directing its attention to such questions and to such problems with a view to give not only the Government itself but all the future education in this country a practical turn.

"The mineral wealth of this country which is still undeveloped is supposed to be enormous, and I do not see how Government can tap these resources unless these small beginnings are largely increased. So far therefore from hoping that there will be a reduction in these charges, I hope they will gradually increase until the development of the resources of this country is complete."

The Hon'ble MR. CARLYLE: "As regards the Survey Department I had not the least idea that the Hon'ble Member had it in mind in moving his resolution. If he had given me notice I would have looked the matter up and tried to give him more information than it is possible for me to give him. All I can say is that the increase in the expenditure in the Survey Department is mainly the result of the recommendations of a Committee which, as must be well known to the Hon'ble Member, was formed some years ago. It recommended a topographical survey of the whole of India in 25 years. In consequence of the proposal to complete the re-survey of India in 25 years, it has been necessary to enlarge the Department and spend larger sums of money than previously. There is nothing in the budget this year beyond carrying out the scheme prepared by the Committee.

"As regards the Provincial Services a distinct step in advance has been made in regard to the employment of Indians. It is now laid down that a certain proportion of Indians must be employed. In the higher service men have mainly been recruited from the army, and that must continue to be the case. The re-organisation of the Provincial Service proposed by the Committee has caused some dissatisfaction, and a Departmental Committee was appointed last year to report. This report has been prepared and will shortly be dealt with by the Government of India."

The Hon'ble MR. ROBERTSON: "I wish, Sir, to say one or two words about the Geological Survey which the Hon'ble Member has mentioned in his remarks. Before I do so I should like to express my concurrence with what Mr. Carlyle has said about not knowing beforehand something of the line that the Hon'ble Member was going to take. I certainly should not have thought that the Hon'ble Member was going to single out the Geological Survey for criticism. I think he mentioned the year 1905-06 as the first year for the purpose of the comparison he has made as to the growth of expenditure. I may tell him that after that date the Geological Survey was revised and expanded, and it wanted revision and expansion at that time. Until quite recently Sir Thomas Holland was at the head of the Survey, and I certainly think that under Sir Thomas Holland's supervision, and as the result of his guidance, the Government have got good value for the money spent and which they are spending on the Survey.

"With reference to the question of the employment of Indians, all I need say is that that also was a matter which Sir Thomas Holland did not overlook; and if there are no more Indians employed than the two which there are at present, I fancy the explanation must be that Sir Thomas Holland was not satisfied with the qualifications of the men who came forward. But I think the Hon'ble Member may take it from me that, if suitable men had come forward, Sir Thomas Holland was not the man to set aside their claims."

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The Hon'ble MR. GOKHALE: "Sir, I think much of what the Hon'ble Mr. Madge has said was beside the point, so far as the discussion raised by me is concerned. I specifically stated at the outset that I did not want to refer to other Departments than the Survey of India and the Geological Survey; in fact, I expressly stated I had nothing but appreciation for the work of the other Departments and wanted to raise no question about them. And my point in connection with both these Departments was this. For some reason or other, the charges went up to a certain year, and then, for a year or two, in each case, the charges went down, owing to financial pressure evidently. But the charges are going up again and there is no explanation forthcoming. I wanted to impress on the Council that if charges can be kept down owing to financial difficulties, they are capable of being kept down. And as the financial difficulties are not yet over it is necessary that the charges should not be allowed to go up again.

"As regards what the Hon'ble Mr. Robertson has said, that is only carrying the unsatisfactory state of the matter one step further. If there are no suitable Indians available owing to the lack of facilities for proper training, the Government have to see to it that such facilities are provided, and Indians with the necessary qualifications are available; surely that is a duty resting upon the Government. However, I do not want to press this resolution."

The resolution was withdrawn.

SALT, EXCISE, etc.

The Hon'ble MR. ROBERTSON: "I rise, Sir, to introduce the heads of Salt, Excise, Customs, the Post Office, Telegraphs and Stationery and Printing. I shall ask you to permit the Hon'ble Mr. Stewart-Wilson to introduce the head Post Office and the Hon'ble Mr. Dempster the head Telegraphs.

"With regard to Salt, I have nothing to add to the remarks made by the Hon'ble Finance Member in introducing the Budget. And in the case of Excise, the revised arrangements, by which in two Provinces this head has become entirely Provincial and in three others the Provincial share has been raised to three-fourths, make it unnecessary to discuss the subject in detail in this Council. Under Customs we are concerned only with the expenditure side. The estimate for next year is more than a lakh in excess of the revised estimate of the year now current. This is due to the necessity there is of keeping our establishments up to the demands of expanding trade; about half the increase, I may mention, in expenditure is due to a revision of the Custom-house establishment at the thriving port of Karachi.

"Last year, when dealing with the expenditure on Stationery and Printing, I referred to certain measures which were then being taken with a view to the exercise of greater economy under this head. The result has been, as Hon'ble Members will observe, a satisfactory saving of nearly four lakhs of rupees in the Stationery and Printing charges under 'Imperial', and a further reduction in expenditure is foreshadowed for the coming year. I should perhaps like to refer very briefly to two matters in this connection. In May last a Committee of Departmental officers, under the presidency of the Controller of Printing and Stationery, took up the question of reducing the number and variety of the office forms in use in the Secretariat Offices of the Government of India, and in revising in the direction of economy the qualities of the papers used in the offices. Very substantial reductions in cost were brought about as the result of the Committee's recommendations, and similar work was carried out in the Post Office and in the Telegraph Department. I may add that these economies were brought about without causing undue inconvenience in the Government offices. It is true that we have had one or two complaints about the quality of the articles supplied. One complaint came from the head of an office in Calcutta, who sent us a specimen of a very useful article which finds a place on every office table. It is intended for drying ink. He asked us to examine this particular specimen which he sent up, as he said he did not himself believe in

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its ink absorbent qualities: blotting paper it could certainly be called, if by blotting was meant the making of blots. I am afraid, however, we were unable to agree with him, as the blotting paper was of quite a fair quality.

“Another change from which we anticipate good results is the introduction of a system of allotments for Stationery expenditure which is about to be introduced from the coming year in practically all the provinces of India. The responsibility for passing the demands of their subordinate offices, which has hitherto rested upon the heads of Departments, both Imperial and Provincial, has lacked that definite and financial check that in the last resort is likely to be the most effective; and we are now trying a system by which these controlling officers will have the distribution of a fixed sum—in most cases below the average for some years past—among their own and their subordinate offices. Out of that fixed sum the expenditure on Stationery will have to be met.”

The Hon'ble MR. STEWART-WILSON: “Sir, I beg to introduce the consideration of the Post Office heads. For the year 1908-09 the Accounts under these heads showed a deficit of £71,183 and for the year 1909-10 a further deficit of £353. Thus, during the last two years taken together the Department was shown as imposing a burden on the general revenues of the country to the extent of about £71,500 instead of making its usual contribution to them. This deficit was partly the initial cost to India of the sweeping reductions made in its postal rates, and partly the result of abnormally bad seasons. It is refreshing to be able to say that for 1910-11, the first year since the reduction took place during which the conditions of trade have been normal, there will be a surplus of at least £50,000, and that for the coming years we confidently hope for a surplus of substantially more than twice that sum. With this bright, but not too sanguine, prospect before us, this Council will, I hope, agree that the reductions in postage rates have been fully justified and that they have not been bought too dearly.”

TELEGRAPHS.

The Hon'ble MR. DEMPSTER: “I beg to introduce the consideration of heads XIV Telegraphs and XVI Telegraphs, and to make a few explanatory remarks.

“The improvement in trade has led to an increase in the use made of telegraph wires, and though the message revenue we expect in 1911-12 has not reached the figure which was put down for 1907-08, that is due to the decrease in the State revenue which I mentioned last year. For the coming year we have only estimated for an increase of half a lakh in our State revenue. Therefore, the increase in the revenue which we estimate is a real revenue. The accounts of the Department are not so simple as they might appear at first sight, because the Department undertakes a dual function. It carries on the telegraphic requirements of the country and in addition it supplies lines and wires for railways and canals. Now the rates which we charge railways and canals are calculated to give us a profit, but the tariff for messages is not calculated on the same basis.

“I think the Council will agree that the expenditure under Capital in compliance with the demands of Railways and Canals cannot be questioned, and it will be observed that our revenue from these heads has risen from about 31 lakhs in 1907-08 to over 33½ lakhs in 1910-11, and we are budgetting for a further increase in 1911-12. This gives us an increase in wire and line mileage and it involves an increase in the cost of maintaining these, *i.e.*, in the revenue expenditure; but those figures are included in the revenue which we get for those particular lines.

“There has also been a considerable increase under Capital expenditure on the lines from which we obtain message revenue. The greater portion of this is due to the expansion of the combined office system. We have opened 324 combined offices between the years 1907-08 and 1910-11, including about 105 this year, and this expansion will periodically involve the erection of extra wires to carry the new traffic.

[Mr. Dempster; Mr. Madge; the President; Mr. Gokhale; Sir T. R. Wynne.] [8TH MARCH 1911.]

"The revenue expenditure in the Budget for 1911-12 is about 17 lakhs more than it was in 1907-08. The first point to which I would like to invite attention is that before a useful comparison between the figures can be made allowance must be made for the allocation of general charges. The same establishment deals with both Capital and Revenue expenditure and it is allocated out between the two heads according to the amount which is spent under Capital and Revenue. Therefore, if there happens to be a decrease in Capital expenditure, Revenue is debited to the corresponding and greater amount of the general charges. These in 1907-08 amounted to Rs. 3,48,000, and in the present year it comes up to about Rs. 72,000 increase. While there has been a steady growth of Revenue expenditure, still the way to see whether that has been excessive or not is to take the expenditure per unit. Taking the expenditure on lines, the expenditure per mile of wire during the past three years has been Rs. 10·9, Rs. 10·5 and Rs. 10·83—a steady decrease. The lines, moreover, are maintained in good order, as our interruption records show. We have for our entire system 1·1 interruptions per 100 kilometres of wire, and the nearest approach to that of any administration is Russia with 1·7: the others are much higher.

"With regard to Revenue expenditure in offices there has also been a natural expansion with the expansion of the combined office system.

"Turning to my own Department, the cost of handling a message, that is, of signalling operations, is declining. In 1905-06 it was 106 of a rupee, and that fell to 102 of a rupee in 1907-08; then, owing to the re-organisation, it rose to 116 of a rupee and last year it fell to 110 of a rupee. Then recruiting has been stopped for practically two years, and that means that we have got about 200 less men on the establishment than we would otherwise have had. That is a saving of about 2½ lakhs.

"With these remarks I beg to introduce these heads."

The Hon'ble MR. MADGE: "Sir, I have not asked leave to propose any resolution on the subject of the Post Office, partly because the Revenue and Expenditure for the present year is practically stereotyped, and also because some figures—"

THE PRESIDENT: "The Hon'ble Member is supposed to move a resolution. He is not in order."

The Hon'ble MR. GOKHALE: "I rise to a point of order. Is not the procedure to be this, that the Members who are in charge of these different Departments should make their statements first, and the resolutions of which notice has been given should be next moved?"

THE PRESIDENT: "Yes."

RAILWAYS.

The Hon'ble SIR T. R. WYNNE: "SIR, I do not propose taking up the time of Council by discussing in minute details the figures given in the Financial Statement dealing with the construction and working of the railways of India for 1909-10. The year is an extremely interesting one from the Railway point of view, inasmuch as it affords ample justification of the policy adopted during the last five years of bringing the lines of India up to a better standard and enlarging their capacity—a policy which has been much criticised.

"Without going into minute detail I propose therefore to deal only with two important points brought out by the figures, the second of which will incidentally substantiate the soundness of the policy I have just referred to.

"The first is that a considerable amount of the capital grant for 1909-10 has not been spent, and the second is that Railway Revenue has resumed its former position as a very valuable contributor to the Imperial Revenues.

"Now, there has been for some years past a strong feeling that the amount of money which was provided annually for capital expenditure on Railways in India was insufficient, and it has been strongly urged that this amount should be increased.

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"The report of the Mackay Committee was the latest pronouncement on this question, and it recommended that the programme figures should be annually not less than 18½ crores.

"It has not been found possible owing to money market and other considerations to work up to this figure, and the capital provided for expenditure on Railways has been for the last four years as follows:—

1907-08	1,500 lakhs,
1908-09	1,500 "
1909-10	1,500 "
1910-11	1,030 "

and for 1911-12 the amount provided is 14½ crores.

"With such a strong demand that more capital should be provided annually for expenditure on Indian Railways than has hitherto been made available, this Council is, I think, entitled to an explanation as to why it is that the sum actually provided for 1910-11 has not been spent.

"The actual figure of lapse is 381 lakhs.

"To explain this I must refer to the policy Railways have been working to for the last five years, the main feature of this policy being the improvement of their lines up to a standard both of rolling stock facilities and works so as to enable them to deal with the development of trade which had expanded beyond the capacity of the Railways to deal with in a satisfactory manner.

"This policy has been steadily adhered to, and to carry it out a very large proportion of the capital funds available has been devoted yearly to open line works and rolling stock.

"At the time this policy was adopted, there was no difficulty in deciding what works were required, and in ordering rolling stock there was a big gap to fill up.

"Consequently large sums were readily absorbed by open line works, and the following was the actual expenditure under this head for the following years:—

	₹
1906-07	892 lakhs,
1907-08	1,100 "
1908-09	1,280 "
1909-10	980 "

but in 1910-11 the expenditure was only 858 lakhs as compared with a provision of 1,182 lakhs, a difference of 324 lakhs, and it is under this head that the lapse has mainly occurred.

"In the remarks I made last year on open line expenditure, I said that I thought this class of expenditure would tend to diminish appreciably at no distant date, and that it would be possible to devote more money to the construction of new lines in the future.

"My prophecy seems to have come about sooner than I anticipated, and I think the large sums that have been spent during the last five years on open lines have provided the additional stock and facilities most urgently required, and that now the time has come when the immediate necessity for a work is not so obvious and Boards of Directors and Railway Administrations require more time to carefully weigh each proposal and be thoroughly well convinced of its necessity before they will agree to sanction it and send it up to the Railway Board. The completion of works the necessity for which was obvious and could be put in hand at once, and the purchase of rolling stock as far as money was available, have, therefore, now steadied the heavy demand for open line expenditure which has existed during the past five years; and to this reason I attribute the failure to spend the grant available for 1910-11.

"At the same time I wish to make it quite clear that Railway Administrations have no intention of allowing Railways to fall behind in their transporting

power and so reproduce the position which necessitated so much being spent on bringing them up to date, and ample provision has been made for open lines during 1911-12.

"The logical deduction from this new development is that more money can be devoted in the future to the construction of new lines. This movement has already begun. For the year 1910-11 only 60 lakhs were provided for new lines. For 1911-12 the sum of 114 lakhs is provided.

"Turning now to the other matter, *viz.*, the resumption of Railway Revenue as a very valuable contributor to the Imperial Revenue, it may be interesting to refer to the past history of this subject.

"Up to the year 1900 Railways were a burden on the Indian Exchequer, inasmuch as their net earnings were not sufficient to meet interest and other charges they were liable to bear. Although as a purely Accounts matter of direct profit and loss they shewed a deficit as regards the full interest payable upon the capital raised, yet their enormous collateral advantages towards the improvement of land and other revenue must not be lost sight of, and there can be no question that without the Railways India would not be in the position she stands to-day.

"Since 1900 Railway Revenue has steadily produced a surplus—

	£
In the year 1899-00 it was	77,000
1900-01 "	825,000
1901-02 "	847,000
1902-03 "	220,000
1903-04 "	860,700
1904-05 "	2,105,500
1905-06 "	2,007,900
1906-07 "	2,307,700
1907-08 "	1,572,500
1908-09 "	—1,242,000
1909-10 "	825,000
1910-11 "	1,954,400
Estimated 1911-12 "	1,849,800

"These figures are very striking. They show a steady increase up to the year 1906-07, when the maximum of £2,300,000 was reached. In the following year the surplus diminishes and one year a deficit reappears, the lowest figure of surplus being in 1909-10, *viz.*, £824,000.

"The Railway Board was formed in 1905, and for the first two years of its existence the surpluses were 2 millions and £2,300,000, the maximum reached. It was then realized how far behindhand Indian Railways were in being able to meet trade demands, and the reduction in surplus during the following years was due to the general policy adopted by all Railways of improving their lines. This accounts both for the drop in surplus receipts and for the increase of working expenses. I explained last year, and will again touch on the matter, that working expenses have to bear a share of improvements and alterations as well as renewals. A Railway may have to spend more on working expenses without adding a single man to its establishment and staff while at the same time practising every economy in operating expenses.

"The results of working for the year 1910-11 indicate that the rise in working expenses mainly due to the improvements that had to be carried out is now beginning to bear fruit.

"Owing to the better traffic facilities provided, to increase in rolling stock and the general improvement made in their capacity, the Railways in India have been able to deal in 1910-11 with the largest traffic ever carried. As compared with the year 1904-05, when a surplus of two millions was earned,

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gross receipts for the year 1909-10 have increased by 33 per cent., and I have no hesitation in saying that this result could not have been achieved if the Railways of India had been left in the same backward condition as they were in the year 1904-05.

"From the remarks I have been making I feel justified in drawing two very important conclusions.

"In the first place, I think we are on the eve of a very considerable increase in the mileage of new lines to be constructed annually.

"In the second place, if rains are propitious and crops good, I see every hope of Railways maintaining their present figure of surplus contributions to the Imperial Revenue and perhaps increasing it; but I wish to make it quite clear that if rains fail or trade is dull, that the cost of working the lines cannot be reduced in proportion to the reduction that will ensue of gross earnings. Some reductions can be made, but not in proportion. It would take too long to prove this statement to Council; but if any gentleman is sufficiently interested in the matter I shall be very glad to explain it to him personally. This concludes all I have to say.

"If there are any other points on which any Member may wish to ask any question, I shall be glad to reply to him."

SALT.

The Hon'ble MR. GOKHALE: "Sir, I beg to move that this Council recommends that the expenditure under Salt be reduced by Rs. 50,000. Here again I have not got much to say. I find that the establishment charges in 1907-08 were 45 lakhs. Then, evidently, under the difficulties of the Finance Department, they dropped to 40 lakhs in 1908-09. In 1909-10 they dropped still further to 39.6 lakhs. But with an improvement in the financial condition, they are again rising and the figure for the current year is 43.7 lakhs—I mean, the revised estimates. Now, Sir, I do not understand why these charges should be allowed to rise by about four lakhs in one year, and that is why I propose this reduction.

"Then I find that there are 30 officers in this Department in all India, excluding Madras Presidency, on salaries ranging from Rs. 500 to Rs. 3,000 a month, and only three of them are Indians. In Madras the same officers evidently perform duties in connexion with Salt, Abkari and Separate Revenue, and I find that, while there are 21 such officers in that Presidency, only one of them is an Indian. My suggestion is the same as about other Departments, and my financial reason, exchange compensation allowance."

The Hon'ble MR. ROBERTSON: "I have very little to say about the resolution which the Hon'ble Member has moved. I would point out that though the entry in the budget statement refers to establishment charges, I think, if he looks at the explanation which is appended to the statement, he will find that it includes other charges as well—working charges, contingent charges, etc."

The Hon'ble MR. GOKHALE: "I have confined myself solely to establishment charges and I have left out all the other charges."

The Hon'ble MR. ROBERTSON: "Although the charges are shown as establishment charges, I think that, if the Hon'ble Member will read the note to the Statement he will find that the establishment charges are a misnomer. There are other important items included under the head, the figures for which vary from year to year. As a matter of fact, I can practically meet the Hon'ble Member's resolution straight away, because there is at present a proposal which is under the consideration of Government to reduce the establishment charges in the Northern India Salt Revenue Department by something like Rs. 85,000, and that is some distance towards meeting the half lakh reduction for which he has moved. That matter is now under consideration and orders will be passed in a very short time.

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“With regard to the employment of Indians, I am afraid that I cannot give the Hon'ble Member very much information, except as regards the Northern India Salt Revenue Department, which is directly under the Government of India. The superior officers in this Department are admittedly nearly all Europeans or Eurasians, and for this there is a reason. It has been found as a matter of fact that natives of India do not care for service at the salt sources in Rajputana and elsewhere. If the Hon'ble Member has doubts on the subject, I should like to read to him a short extract from a report which I happen to have here. In 1897, Mr. Patterson, who was Commissioner of Northern India Salt-revenue, wrote as follows:—

‘In my opinion the Department should continue to be mainly officered by Europeans. The officers are either stationed in places like Sambhar, Khewra and Paebadra, in small colonies composed entirely of Salt-officers; or they are in remote and isolated posts on the Salt Range or elsewhere. Or they are for eight months in the year marching about in the North-Western Provinces and Behar to supervise the saltpetre manufacture. As a rule, the highly educated class of Native gentlemen is not well adapted for any of these places; they are not happy in a small European colony, and a life of solitude or of continuous touring for eight months in the year is still more distasteful to them.’

“Only two years ago Sir Richard Dane—and I think that Members of this Council who knew Sir Richard Dane will acknowledge that a more just and sympathetic officer has never served in India—examined this question, and he also recognised the difficulty of getting Indians of a desirable type to take service in this Department. The matter was fully considered by Sir Richard Dane, but he was unable to make further suggestions. I think I have said enough to show that the matter has been sympathetically considered, but with the results which I have mentioned.”

The Hon'ble MR. GOKHALE: “I would like to make one or two observations about the concluding portion of the Hon'ble Member's remarks. I cannot possibly accept his statement that Indians cannot be found for this sort of work. I am quite sure that if efforts are made and reasonable facilities afforded to Indians, Indians will be found competent and willing to undertake these duties. I do not think that the opinions of individual officers should be accepted as conclusive on a question of this kind.”

The resolution was put and rejected.

CUSTOMS.

The Hon'ble MR. GOKHALE: “Sir, I beg to move that this Council recommends that the expenditure under Customs be reduced by Rs. 50,000. Here, too, I find a steady rise in the establishment charges. I have taken the figures for the last six years. I find that in 1905-06, these charges stood at 27.8 lakhs. They have risen to 36 lakhs in the current year, and for the next budget year provision is made for 37.2 lakhs. This means an increase of 10 lakhs in six years, or, in other words, of 36 per cent., i.e., an increase of over six per cent. per year. The other day, in moving my resolution on the growth of public expenditure, I pointed out that it was necessary to keep the growth of charges within the limits of the growth of revenue. Of course, if we only take Customs-revenue, possibly we shall find a larger margin for expenditure. But I submit that in all such cases the Government should take into consideration the growth of the total revenue only, and as that growth, taking good and bad years alike, is not more than one and half per cent., and even taking good years alone, it is not more than two or two and a half per cent., this increase in charges of more than six per cent. per annum is open to serious objection. I have therefore thought it necessary to draw the attention of the Council to the matter.

“Then, Sir, there are 21 officers in this Department, with salaries ranging between Rs. 450 and Rs. 2,500 a month, of which only two are Indians. There are three probationers, but there is no Indian among them. I submit this is very unsatisfactory.”

[5TH MARCH 1911.] [Mr. Robertson; Mr. Gokhale; Mr. Stewart-Wilson.]

The Hon'ble MR. ROBERTSON: "I have got very little to say about the resolution which the Hon'ble Member has moved. When I introduced this head in the last year's Budget debate I pointed out that the question of overhauling the Customs establishments at the different ports had for some time been receiving a good deal of attention. The increase in the establishment charges in the past few years is chiefly due to the creation of a new Imperial Customs Service which has added considerably to the cost of the Customs administration. With the introduction of the new Imperial Service, very considerable overhauling of the whole of the subordinate establishments was found to be necessary as I have just mentioned. The strengthening of the Customs staff at Karachi, for instance, is now in hand and will cost half a lakh of rupees. The rise in expenditure on these establishments is partly due to the expansion of our sea-borne trade and partly to the necessity for paying the subordinate staff more than they were paid before. They live in expensive places like Calcutta, Bombay and Rangoon, and the cost of living in these places, as everybody knows, has grown enormously. This, and the fact that expansion of trade means expansion of expenses, practically explains why the cost of these establishments has increased.

"Then, with regard to the remarks of the Hon'ble Member about the admission of Indians to the Imperial Customs Service,—he has mentioned that only two officers on the list of the Imperial Customs Service are Indians,—all I need say is that among the last three admissions to that list it so happens that there are two Indians. This is sufficient to show that the Government of India have not lost sight of the point he mentions."

The Hon'ble MR. GOKHALE: "Sir, I would like to make only one remark, and it is this: of course the cost of living is going up; and there may be a hundred other reasons for increasing these establishment charges; but, surely, there must be some relation between the growth of the charges and the growth of revenue. By revenue, I mean, as I have already said, the total revenue of the country. This increase of charges, at any rate of 6 per cent. annually, is much too high."

The resolution was put and rejected.

POST OFFICE.

The Hon'ble MR. GOKHALE: "Sir, I beg to move that this Council recommends that the expenditure under Post Office should be reduced by Rs. 50,000. I find here that, in 1907-1908, the establishment charges were 1.72 crores. In 1910-1911, that is, the current year, the charges in the revised estimates appear at 1.98 crores, a rise of about 26 lakhs or fifteen per cent. in three years. This is the same story as in other Departments, a rise of five per cent. per annum; a much higher rise than the general finances of the country can afford. I find on the other hand that the growth of Post Office revenue has been less than this, but I think that has just been explained by the Hon'ble Mr. Stewart-Wilson, and so I do not want to say anything more about it. Then, Sir, I find that there are 41 appointments in this Department, with salaries between Rs. 500 and Rs. 3,500 a month. And of these, only four are at present held by Indians; and, as in other Departments, they are only on the lower rungs of the ladder."

The Hon'ble MR. STEWART-WILSON: "I take up the question of expenditure first. The increase of expenditure in Post Office has been almost entirely due to the great increase in our work done. Since the year 1905-06 our work has increased by about 30 per cent., while the rate of increase in our expenditure has not even approximated to that figure. There has also been another reason, as in the case of the Customs Department. It has been necessary to improve the pay of our men. For many years the Post Office had a very unenviable name among the Government services in this respect, and the pay had become much too low for the work expected from our men. I have noted some figures here which I will read to the Council. In 1905-06 the pay of 264 sub-postmasters, 459 branch postmasters and 360 postmen were increased; all of these being practically natives of India. During the next four years, which are the

[Mr. Stewart-Wilson; Mr. Gokhale.] [8TH MARCH 1911.]

latest years for which figures are available, we were able to raise the pay of 2,003 sub-postmasters, 2,574 branch postmasters and 9,228 postmen, practically all natives of India, exclusive entirely of the numerous officials whose pay was raised owing to the abolition of the commission which used to be paid on the sale of stamps. The result of this has been that we are getting better work from our men than we did, that our men are much more satisfied than they were, and that we are able to recruit a better class of men than formerly. I do not think that the Hon'ble Mr. Gokhale will disagree with me that these are results that are highly desirable.

"As to the admission in larger numbers of Indians to the higher ranks in the Department, the Post Office, of all the Departments of the Government of India, is run almost exclusively by Indians. We all have, of course, had cause to make complaint at some time or other about the Post Office; but still I think that the Council will readily admit that the work done by the Post Office is on the whole good and that it is extremely creditable to the agency by which it is almost entirely run, that is to say, the natives of India. I take a very keen personal pride in being head of a Department manned as the Post Office is.

"With reference to the special complaint made by the Hon'ble Mr. Gokhale that the number of Indians in the highest-paid ranks is too small, perhaps some figures will help to explain how this has come about. In 1891 we had 140 men in the higher administrative ranks, *i.e.*, from Superintendents upwards to Postmasters-General. Out of these, including five Indian Civilians, we had 28 non-domiciled Europeans, being 20 per cent. of the total; and 37 Indians, making 26 per cent. of the total. On the 1st January 1911, we had 214 men in the higher administrative ranks. Out of these we had, including 7 Indian Civilians, only 24 non-domiciled Europeans against 28 twenty years before, being a percentage of only 11 against 20; while we had 109 Indians as against 87 in 1891, being a percentage of 51 against 28. The Hon'ble Member and I may both hope that, as the largely increased numbers of Indians reach seniority in the Department and we have a larger number of them to select from for the higher appointments, more will be so appointed, and I for one shall always be glad to see that their claims are not overlooked in any way."

The Hon'ble Mr. GOKHALE: "I am very glad to hear what the Hon'ble Mr. Stewart-Wilson has said in reply to my observations. His solicitude to give larger facilities for the employment of Indians in his Department is well known and I entirely accept all that he has said; and, to mark my sense of the efforts he is making, and of his very friendly statement, I would like to withdraw this resolution."

The resolution was withdrawn.

TELEGRAPHS.

The Hon'ble Mr. GOKHALE: "Sir, I beg to move that this Council recommends that the expenditure under Telegraphs be reduced by Rs. 50,000. Here I find that there has been an increase of 32 per cent. in five years, which means the same story again; an annual growth of five to six per cent. In 1905-06, the expenditure was 88 lakhs; for the current year, taking the revised estimates, it is 116.8 lakhs—an increase of 28½ lakhs, or of 32 per cent. in five years. The Hon'ble Member, who introduced this head, explained that the establishment charges, met out of ordinary revenue, bear a sort of inverse proportion to the capital outlay on telegraphs; that when the capital outlay is larger, the establishment charges, met from current revenue, appear smaller. I must confess that I have not examined this matter from that standpoint. I find, however, that the revenue of this Department, since 1905-06, has remained stationary; it was nearly 120 lakhs in 1905-06; it is 124 lakhs now. But while the revenue has not advanced, the charges, as I have pointed out, have increased by 32 per cent. in five years. Then, Sir, there are 86 appointments in this Department, with salaries between Rs. 500 and Rs. 3,000 a month, and of these only 3 are held by Indians. This, I think, is a matter for legitimate complaint."

[SIX MARCH 1911.] [Mr. Robertson; Mr. Gokhale.]

The Hon'ble MR. ROBERTSON : " I should like to say a few words about what the Hon'ble Member has said as regards the expansion in the telegraph expenditure. Admittedly this expenditure is going up. We have, as the Council are aware, at very considerable cost had to raise the pay of the whole of the subordinate staff of the Department and also to give a long-looked for increase in the emoluments of the superior officers. That has been a very costly business, to the end of which I am afraid we have not yet come, although we are beginning to approach finality, and in consequence the expenditure has shown for the last two or three years a very considerable increase.

" With regard to the Hon'ble Member's remarks about revenue, I should like to impress upon him one thing. In previous years, that is, before 1909-1910, the custom prevailed of sending under what was known as the 'urgent' class, Rs. 2 for 16 words, a great deal of the State traffic in India. About two years ago very stringent orders were issued to stop this. It really meant that the wires were being taken up by State traffic to the detriment of the general public. In the first year in which these orders were issued, there was an immediate drop in message revenue under 'State' of something like Rs. 7,00,000, by telling officers to use the post office more frequently and also not to send telegrams at the urgent rate and thereby block the public traffic; and we have good reason to believe that the fall in this 'State' revenue so-called still continues. That I may say accounts very largely for the decrease in the revenue as shown in those returns.

" Then I may say just a word about what the Hon'ble Member has stated about the officering of the Department. This was enquired into very fully about two years ago, and after much deliberation the decision was come to that in future three-eighths of the superior officers of the Department should belong to what is known as the Provincial Service; five-eighths were to be Imperial and three-eighths Provincial. That decision was arrived at after full consideration of the administrative requirements of the Department, and it must be adhered to.

" I may, however, mention for the information of the Hon'ble Member that, if we go back to the year 1893, there was not a single Indian employed in the superior establishment of the Telegraph Department. At the present time there are 20 Indian officers."

The Hon'ble MR. GOKHALE : " I find, Sir, that even if we go back to the time when urgent State messages were sent on a much larger scale than now, even then, the growth of revenue did not keep pace with the growth of expenditure. Thus, in the year 1908-09, the revenue was 1 crore 31 lakhs, which means an increase of about 9 per cent. over the figure of 1905-06, or about 3 per cent. per annum, as against a growth in charges of between 5 and 6 per cent.

" As regards the fact mentioned by the Hon'ble Mr. Robertson that 20 years ago there was not a single Indian in this Department, whereas now they have just begun to introduce Indians, I would ask him to go a little faster. Out of 86 superior officers at present, only 3 are Indians. I think the Hon'ble Member will see the necessity of moving a little faster."

The Hon'ble MR. ROBERTSON : " Twenty, I think I said."

The Hon'ble MR. GOKHALE : " But I am taking appointments only of Rs. 500 and above; there are only three Indians among them."

The Hon'ble MR. ROBERTSON : " The salaries below Rs. 500 are those of the latest recruits who comprise a considerable proportion of Indians. We do not begin our officers on pay as high as Rs. 500. Indians who have been recently recruited must be taken in on lower rates of pay; as years go on they will rise to the higher rates."

The resolution was put and rejected.

RAILWAYS.

The Hon'ble MR. GOKHALE : " I beg to move, Sir, that this Council recommends that the working expenses of Railways be reduced by 50 lakhs of

rupees. It may be in the recollection of Hon'ble Members that last year I had moved in this Council a similar resolution. I had then suggested that the working expenses of railways should be reduced by a crore of rupees. This time I am more modest and I ask for a reduction of only 50 lakhs. But, Sir, before I say anything in support of this resolution, I would like to express my satisfaction about one or two features of this year's railway finance. In the course of my speech last year, I deemed it necessary to protest against, in the first instance, the tendency of the Railway administration constantly to exceed the Budget Estimates, and I also pointed out that the working expenses had been going up rapidly since the creation of the Railway Board, and that, unless the rate of growth was checked, the general revenues of India would again have to find money in order to keep our railways going, as they had to do for more than 50 years. I am glad to find, Sir, that in both these respects, there has been an improvement; that this year the Budget Estimates have not been exceeded, and that the working expenses too bear a smaller proportion to the gross earnings than was provided for in the Budget Estimates introduced last year. But, Sir, the proportion of working expenses is still much too high, and I must take this opportunity to press for a further reduction. I went into this question in some detail last year, and I pointed out how for 15 years before the creation of the Railway Board the proportion of the working expenses to gross earnings had ranged between 45 and 48—only one year showing a higher percentage, a little over 49—and how as soon as the Railway Board was created, the working expenses began to mount up. The Railway Board came into existence in 1906, and straightway the proportion in that year went up to 50 per cent.; next year, i.e., in 1907-08, it went up to 57.5; in 1908-09, the year of a heavy deficit, it went up to 62; in 1909-10, owing to a general complaint, it came down to 55.8. And in the revised estimates for the current year, we see a further reduction to 54.6. However, for the next year, provision is again made for 54.4 per cent. of gross earnings as working expenses. Now, Sir, I think that 50 per cent. should be an ample proportion for the working expenses of railways. For 15 years they were satisfied with less than 50 per cent. We may take into account the fact that prices have gone up; on the other hand, there is the fact that for renewals and betterment, they have spent a great deal of money during the last three or four years. I think, therefore, that next year, or, if not next year, at least during the succeeding year, the Railway Administration should try its best to cut down the working expenses to 50 per cent. of the gross receipts.

"Then, Sir, I find that in this Department the exclusion of Indians from high office is practically complete, and one way of reducing the working expenses would be to employ Indian agency on a larger scale. Sir, my investigation of this question has led me to one conclusion, and it is this. The farther you move from the Provincial Governments, the smaller is the employment of Indians; the Provincial Governments, amenable to the pressure of public opinion and anxious to do what they can for the people entrusted to their charge, try to employ the Indian agency to some extent. When we come to the Departments under the Government of India, we find that the Indians do not fare so well. In Railways, the Indians fare the worst; and even among Railways, those managed directly by the State are better than State Railways under Companies' management; the position is absolutely hopeless. Taking the Railways managed by the State,—and I go down very low, I go down to Rs. 200 a month, because otherwise we have hardly any Indians anywhere,—I find that there are 820 officers with salaries ranging between Rs. 200 and Rs. 3,000 a month. And among these only 47 are Indians; and even these 47 Indians are confined to two or three Departments only. The Accounts Department has got 11; there are 15 in the lower ranks of the Engineering Department; and there are 12 in the lower ranks of the Traffic Department. In all other Departments there is hardly any Indian. There is one in the Code and Signalling, there is one in the Medical, there is none in the Management, and none anywhere else. This is the position as regards State railways under the direct management of the State. When we come to State railways managed by Companies, the position is even worse. Here we have over 1,100

[6TH MARCH 1911.] [*Mr. Gokhale; Sir T. R. Wynne; Babu Bhupendranath Basu.*]

appointments ranging from Rs. 200 to Rs. 3,500, and among these the number held by Indians is only 30. The number of permanent appointments on these Railways between Rs. 500 and Rs. 3,500 is 77½; out of them only 10 are held by Indians; the number of temporary appointments between the same limits is 30, out of which only 2 are Indians. Descending to appointments between Rs. 250 and Rs. 300, of which there are 299, we find only 18 held by Indians. Here, then, Sir, is plenty of room for the employment of Indians, and if Indians are employed there will be a considerable saving and the working expenses of Railways will be reduced. And there will be no difficulty in bringing down the proportion of working expenses to gross earnings to about 50 per cent., as I propose."

The Hon'ble SIR T. R. WYNNE: "Sir, the Hon'ble Member I take it does not wish me to answer his criticisms regarding the working expenses. The remarks he made were I take merely meant to enable him to introduce his proposals for the further employment of Indians on Railways. I would only point out that the arguments he has advanced to-day are precisely those which he advanced last year and to which I think I gave very conclusive answers, and I refer him to the report of last year's debate. Now, when we come to the question of largely employing Indians on railways, we find very different conditions to those existing in the other Departments. To begin with, railways employ a very large number of Indians already. The total number of people employed on Railways in India, according to the returns of 1909, as published in the Railway Board's Administration Report and which is the latest return available, is 516,702, of which 498,722 are Indians: 97 per cent. therefore of the employes on railways in India are Indians."

The Hon'ble BABU BHUPENDRANATH BASU: "Does that include coolies and porters?"

The Hon'ble SIR T. R. WYNNE: "Yes; it also includes station masters and all employes. These figures include both officers, subordinates and men, and taken as a whole I do not think they support the contention that Indians are not freely employed on Indian Railways. I take it, however, that the Hon'ble Mr. Gokhale wishes to distinguish between Indians employed in the superior and subordinate grades. I think that is his point, and the remarks I now make will refer solely to State Railways, as on Companies' Railways it is a matter for them to deal with, as Government have not very much power in that direction. My reply in regard to the State Railways is that Indians are now appointed every year to the superior grades of the Engineering, Traffic and Accounts Departments of State Railways. The Accounts Department, I should say, has recently been handed over to the Finance Department, and so the Railway Board have nothing whatever to do with the appointment of Indians to the Accounts Department. Now, in the Engineering Branch, Indian Engineers have been appointed to that Branch for a great many years, and there is no bar to their rising to the top of that Branch. At present for instance, there is my friend, Rai Bahadur Lala Ram, who has acted as Chief Engineer of the Eastern Bengal State Railway. He is now on leave, and when he returns he will again act as Chief Engineer. As regards the Traffic Department, the recruitment is of a more recent growth; but appointments are now being made every year, and the gentlemen who are now being appointed will have the whole field open to them in the future. They are being appointed, as regards pay and pension, on exactly the same basis as if they were Europeans."

"With regard to the Locomotive Department, there has been no desire, as far as I am aware, for any Indians to enter that Department. It is a Department where you have got to go through an apprenticeship and work for five years in an English workshop. After you have done that, you have to learn about running work and the management of drivers - a difficult class to handle; and besides that you have to work very hard at the scientific part of the profession. In fact, to qualify for the Locomotive Department, it may be necessary to reside out of the country for a good many years. In my opinion, the present rate of recruitment of Indians in the superior branches of Indian Railways is proceeding as rapidly as circumstances permit. Without intending in any way to disparage the ability and character of the natives of India, I say

[Sir T. R. Wynne ; Mr. Gokhale.] [8TH MARCH 1911.]

deliberately that for the proper and safe working of its Railway system at the present time you cannot with safety reduce the present percentage of European staff in the superior grades ; to make my meaning quite clear, I will say that the special qualifications and early training which may make any particular European a good Railway officer are such as might render him quite unsuited to hold an appointment not on Railways which could be filled more efficiently by an Indian. The safety of the public and the proper working of the Indian Railways rests largely on the maintenance of strict impartial discipline, and the welding together by personal control of men of different classes, races, creeds and temperaments, both European and Indian. I see grave difficulties ahead if the class of officer which now secures the confidence of, and can get the best work from, a very large staff of such a varied composition, is to be at an early date largely replaced by a class which has not yet shown its fitness for the duties, though a few individuals of that class may have done so. This is a matter which must be dealt with most cautiously, and certainly not as a political question.

" For their proper and safe working, Railways should be kept free from politics, and they should be dealt with on strictly commercial lines. This policy has had to be adopted in Australia, and India should benefit by her experience.

" Indians are now being admitted to the superior staff of Railways, and, if they eventually prove their fitness as a class for the work, Railways will feel justified in increasing their numbers. They are now being given a fair trial in a new field of employment ; but for the present the safety of the travelling public and the vast interests of commerce do not justify the Railways of India readily agreeing for political reasons to a large reduction in numbers of a class of officer which has proved its fitness for the very technical public work entrusted to it, in favour of a class which, except in a few individual instances, has yet to prove its capacity in the same field.

" The point for decision is simple and clear.

" Which do you consider the soundest policy to adopt in the interests of trade and the travelling public of India which represents an enormous number of Indians ? Do you prefer to retain a system of recruitment of Railway officers which now secures efficient and safe working of the Railways of India while at the same time giving to Indians a fair chance of showing their fitness for Railway work, or do you prefer for political reasons to force on Indian Railways the employment of a large number of Indians, whose capacity for Railway work has yet to be proved, and so run the serious risk of diminishing the efficiency and reliability of the Railway service of India."

The Hon'ble Mr. GOKHALE: " Sir, the Hon'ble Sir T. R. Wynne began by saying that my object in moving this resolution was probably not really to ask for a reduction in the working expenses, but to raise this question about the employment of Indians. Now, I beg leave to assure him that he is not correct there. I did want to urge him to reduce his working expenses this year as I urged him last year. Then he has told the Council that I have brought forward the same arguments this year that I did last year, and to my arguments of last year he had given a conclusive reply. Well, Sir, the Hon'ble Member's reply of last year was not conclusive to me ; but his revised estimates, laid before us this year, are conclusive. He said last year that the proportion of working expenses to gross earnings, provided for in last year's Budget, was absolutely necessary. Well, we had a discussion on that point. Whether it was the result of that discussion or of the pressure of the Finance Department or some fresh light coming to the Railway Administration, the proportion has gone down this year—I am speaking of the revised estimates for the current year. And that, Sir, is a much more conclusive and satisfactory answer to me than what the Hon'ble Member said last year.

" Now, Sir, as regards the employment of Indians, if I travel a little beyond mere financial considerations, I shall only be following the Hon'ble Member's example. And I hope that, as he was allowed to make these observations, you will allow me also to follow on those lines. I decline, Sir, to accept—and I say

[8TH MARCH 1911.] [*Mr. Gokhale ; Sir T. R. Wynne ; Mr. Ali Imam ; the President.*]

that at once and emphatically—I decline to accept the general argument that he has advanced in this Council to-day of the unsuitness of Indians for Railway work. If facilities have not been given to them to show their fitness, if they have not been tried, that, surely, is not their fault. If after fifty years of Railways in this country, you have only just begun to give a trial to Indians, that again is not their fault. If there is one Indian, discharging the duties of Chief Engineer, that only shows that if you select the right type of Indians and give them a chance, they will do their work as satisfactorily as anyone else. If people elsewhere, if the Japanese for instance, if other people are managing their Railways, I do not see why we should not be able to do so. After all we are not born with a double dose of original sin. I do not say that we want to dispense with European guidance, but there is undoubtedly room for a much larger employment in the higher ranks of Railway service without impairing efficiency in the least. Sir, the extreme position taken up by the Hon'ble Member, and the whole spirit of the statement read out by him, is enough to explain why we occupy such a very unsatisfactory position in Railway service. One has only to compare Railway administration with other administrations—one has only to contrast the spirit of the Hon'ble Member's remarks with, for instance, what fell from the Hon'ble Mr. Stewart-Wilson's earlier in the day to understand why it is that Indians fare so badly as regards employment on Railways. Sir, I protest emphatically against the Hon'ble Member's remarks, and to mark my protest I will divide the Council on this resolution."

The Hon'ble SIR T. R. WYNNE: "Sir, I wish to explain one remark—."

The Hon'ble MR. ALI IMAM: "Is the Hon'ble Member in order?"

THE PRESIDENT: "I understand the Hon'ble Member wishes to make an explanation."

The Hon'ble SIR T. R. WYNNE:—"Yes, the explanation is with reference to the Hon'ble Mr. Gokhale's last remarks."

THE PRESIDENT: "Does the Hon'ble Member wish to correct a remark made by the Hon'ble Mr. Gokhale?"

The Hon'ble SIR T. R. WYNNE: "No."

THE PRESIDENT: "Then I am afraid the Hon'ble Member cannot be heard."

The Council divided:—

Ayes—10.

The Hon'ble Mr. Subba Rao; the Hon'ble Mr. Gokhale; the Hon'ble Mr. Mudholkar; the Hon'ble Pandit Madan Mohan Malaviya; the Hon'ble Nawab Abdul Majid; the Hon'ble Raja Sir Muhammad Ali Muhammad Khan of Mahmudabad; the Hon'ble Sir Bijay Chand Mahtab, Maharajadhiraja Bahadur of Burdwan; the Hon'ble Babu Bhupendranath Basu; the Hon'ble Mr. Sachchidananda Sinha; and the Hon'ble Mr. Mazharul Haque.

Nocs—43.

The Hon'ble Mr. Andrew; the Hon'ble Mr. Quin; the Hon'ble Mr. Birkmyre; the Hon'ble Mr. Madge; the Hon'ble Mr. Graham; the Hon'ble Mr. Monteath; the Hon'ble Sir Sassoon David; the Hon'ble Mr. Chitnavis; the Hon'ble Mr. Phillips; the Hon'ble Mr. Dadabhai; the Hon'ble Mr. Gates; the Hon'ble Maung Bah Too; the Hon'ble Lieutenant Malik Umar Hayat Khan; the Hon'ble Sardar Partab Singh; the Hon'ble Lieutenant-Colonel Davies; the Hon'ble Mr. Slacke; the Hon'ble Mr. Stewart-Wilson; the Hon'ble Mr. Dempster; the Hon'ble Sir Vithaldas D. Thackersey; the Hon'ble Sir T. R. Wynne; the Hon'ble Mr. Kenrick; the Hon'ble Mr. Kesteven; the Hon'ble Mr. Carlyle; the Hon'ble Mr. Butler; the Hon'ble Mr. Syed Ali Imam; the Hon'ble Mr. Clark; the Hon'ble Sir Guy Fleetwood Wilson; the Hon'ble Major General Grover; the Hon'ble

Mr. Earle; the Hon'ble Mr. Maclagan; the Hon'ble Sir Lionel Jacob; the Hon'ble Mr. Porter; the Hon'ble Mr. Robertson; the Hon'ble Mr. Brunyato; the Hon'ble Sir Henry McMahon; the Hon'ble Mr. LeMésurier; the Hon'ble Mr. Holms; the Hon'ble Mr. Meston; the Hon'ble Mr. Fremantle; the Hon'ble Mr. Todhunter; the Hon'ble Surgeon General Lukis; the Hon'ble Mr. Graves; and the Hon'ble Mr. Macpherson.

So the resolution was rejected.

EDUCATION.

THE PRESIDENT: "I now call upon the Hon'ble Mr. Butler to introduce the Budget heads relating to his Department."

The Hon'ble MR. BUTLER, in introducing the head of Education, said:—"The important Budget heads which it falls to me to introduce are Education and the sub-heads of Medical which refer to Sanitation. I need not trouble the Council further than is necessary to give some account of the grants that have been made to Local Governments and Administrations in order to assist them to carry out urgent projects which are ready and only waiting for funds, which can be completed in a short time, and which do not involve future expenditure beyond the means of provincial revenues. Under the head Education the grants will of necessity be devoted to buildings and equipment. The distribution by class of educational project is as follows:—

	£
Technical and industrial institutions	105,400
Primary training institutions and primary schools	121,200
Secondary training institutions and secondary schools	73,100
Colleges	84,000
Hostels in colleges and secondary schools	157,000
Girls' schools	16,700
European schools	43,800
TOTAL	601,200

"The grants for technical education and hostels will, I anticipate, meet with general acclamation. Not less welcome will be the grants for secondary schools and training colleges; for the want of proper accommodation and equipment, especially scientific equipment, is by general consent one of the great defects of our present system. It may occur to some Hon'ble Members that even larger grants might have been made for primary education. But experience has shown that too large sudden grants for primary school buildings lead in the absence of carefully worked out plans to waste, and to the opening of schools which have eventually to be closed for want of funds to maintain them. Moreover, the power of local bodies to erect buildings within a given time is limited by the size of their establishments. It is intended to mature schemes in consultation with Local Governments for a definite programme of advance in primary education. Meanwhile the grants made will meet the more pressing and declared needs. The extensive poverty of European schools in the matter of buildings and equipment have been brought prominently to notice of late by Sir Robert Laidlaw and his Committee. I feel sure that I am voicing the thoughts of all who are interested in education in India, no matter what their creed, in wishing success to the efforts of Sir Robert Laidlaw and his Committee to raise funds by public subscription for the improvement of the schools in which they are interested.

"The detailed schemes to which the grants will be appropriated will be found in Provincial budgets. Among the larger grants of Imperial interest I may mention 3 lakhs for the engineering laboratory at the College of Science at Poona, 1½ lakhs for Institutes of Science in the Bombay Presidency, 6 lakhs for hostels in Calcutta, 8 lakhs for the Presidency College, Calcutta,

[8TH MARCH 1911.]

[*Mr. Butler.*]

3½ lakhs for the modified scheme of the technological institute at Cawnpore (subject to the approval by the Secretary of State of the scheme), 2 lakhs for the Aligarh College, 2 lakhs for the Rangoon College.

“ Under the head Sanitation the grants will be allotted to urgent schemes of drainage and water-works in towns. Here again the detailed grants will be found in the Provincial budgets. But one item is of wide and far-reaching importance. A sum of five lakhs has been set aside (it is part of the ten lakh grant for the Punjab) as an endowment for research in connection with the Central Institute at Kasauli. It is hoped to utilise this sum to great advantage in the malaria campaign and, as funds become available, to inaugurate similar campaigns against other prevalent diseases. Is it too much to hope that this grant may become by the liberality of the wealthy in India the nucleus of a fund for an extensive campaign of scientific research in Indian diseases ?

“ I trust that I have said enough to assure the Council that the grants will be devoted to really pressing needs. They have been made after consultation with Local Governments and after anxious and careful consideration from every point of view by the Government of India.”

The Council adjourned to Thursday, the 9th March 1911.

J. M. MACPHERSON,
*Secretary to the Government of India,
Legislative Department.*

CALCUTTA ;

The 22nd March 1911.